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FEDERAL REGISTER

VOLUME 27 NUMBER 98

Washington, Saturday, May 19, 1962

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Presidential Documents

Title 3—THE PRESIDENT

Proclamation 3476

MOTHER'S DAY, 1962

By the President of the United States of America

A Proclamation

WHEREAS the American home constitutes the very foundation of our Nation; and

WHEREAS the mothers of our country embody and foster the virtures of love, devotion, and fortitude upon which our homes are founded; and

WHEREAS it is appropriate that we devote one day each year to expressing publicly the boundless affection, respect, and gratitude we feel for our mothers; and

WHEREAS, in official recognition of these feelings, the Congress, by a joint resolution approved May 8, 1914 (38 Stat. 770), designated the second Sunday in May of each year as Mother's Day and authorized and requested the President to issue a proclamation calling for the public observance of that day:

NOW, THEREFORE, I, JOHN F. KENNEDY, President of the United States of America, do hereby request that Sunday, May 13, 1962, be observed as Mother's Day, and I direct that the flag of the United States be displayed on all public buildings on that day.

I also call upon the people of the United States to display the flag at their homes or other suitable places as an expression of the reverent esteem in which they hold the mothers of our country.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this fifth day of May in the year of our Lord nineteen hundred and sixty-two, and of [SEAL] the Independence of the United States of America the one hundred and eighty-sixth.

JOHN F. KENNEDY

By the President:

GEORGE W. BALL,
Acting Secretary of State.

[F.R. Doc. 62-4912; Filed, May 17, 1962; 2:25 p.m.]

Rules and Regulations

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 9—SEPARATIONS, SUSPENSIONS, AND DEMOTIONS

PART 22—ADVERSE ACTIONS AND APPEALS TO THE COMMISSION

Effective July 1, 1962 the present Parts 9 and 22 are revoked and a new Part 22 is added as set out below.

Subpart A—General Provisions

Subpart B—Discharge, Suspension for More Than Thirty (30) Days, Furlough Without Pay, and Reduction in Rank or Compensation

Subpart C—Suspensions of Thirty (30) Days or Less

Subpart D—Commission Action on Appeal

AUTHORITY: §§ 22.101 to 22.405 issued under R.S. 1753, 5 U.S.C. 631; sec. 2, 22 Stat. 403, as amended, 5 U.S.C. 633; secs. 11, 19, 58 Stat. 390, 391, as amended, 5 U.S.C. 860, 868; sec. 14, E.O. 10988, Jan. 17, 1962. Interpret or apply sec. 14, 58 Stat. 390, as amended, 5 U.S.C. 863.

Subpart A—General Provisions

§ 22.101 Applicability.

The regulations in this part apply to (a) discharges, suspensions, furloughs without pay, and reductions in rank or compensation of employees of the United States Government and the government of the District of Columbia, and (b) employees' appeals to the Commission from such actions.

§ 22.102 Definitions.

As used in this part:

(a) "Commission" means the United States Civil Service Commission.

(b) "Days" means calendar days and not work days.

(c) "Preference eligible employee" means a person entitled to preference under section 2 of the Veterans' Preference Act of 1944, as amended.

(d) "Reemployed annuitant" means an employee whose annuity under the Civil Service Retirement Act, as amended, was continued upon reemployment in an appointive position on or after October 1, 1956.

§ 22.103 General exclusions.

(a) *Employees.* The employees covered are shown in Subparts B and C of this part. In no case, however, does any of this part apply to (1) a reemployed annuitant, (2) an employee under the legislative or judicial branch of the Government unless he is occupying a position in the competitive service, (3) an employee occupying a position in the competitive service under a temporary appointment, (4) an employee (except a postmaster) whose appointment is required by the Congress to be confirmed by, or made with, the advice and consent of the United States Senate, (5) an employee currently serving a probationary or trial period, except as provided in § 2.301(c) of this chapter, or (6) an employee in the excepted service who is not a preference eligible employee (except an employee with competitive status occupying a position in Schedule B).

(b) *Adverse actions.* The adverse actions covered are shown in Subparts B and C of this part. In no case, however, does any of this part apply to (1) decisions of the Commission, (2) actions taken by an agency pursuant to instructions from the Commission, (3) reduction-in-force actions subject to Part 20 of this chapter, (4) appeals from decisions in political activity cases, or (5) actions taken under Public Law 733, 81st Congress, and any other similar statute which authorizes an agency to take suspension or separation action without regard to section 6 of the Act of August 24, 1912, as amended, or the provisions of any other law.

§ 22.104 General standards.

(a) Adverse action may not be taken against an employee covered by this part except for such cause as will promote the efficiency of the service.

(b) Adverse action may not be taken against an employee covered by this part for political reasons, except as required by law.

(c) Adverse action against an employee covered by this part may not be based on discrimination because of marital status, physical handicap, race, creed, color, or national origin.

§ 22.105 Agency records.

Copies of the notice of proposed adverse action, of any answer made by the employee, of the notice of any agency hearing on the proposed adverse action and the report thereof, and of the notice of decision shall be made a part of the agency's records.

Subpart B—Discharge, Suspension for More Than Thirty (30) Days, Furlough Without Pay, and Reduction in Rank or Compensation

§ 22.201 Coverage.

(a) *Employees covered.* The regulations in this subpart apply to (1) any career, career-conditional, overseas limited, or indefinite employee who is not serving a probationary or trial period in a position in the competitive service, (2) any employee having a competitive status who occupies a position in Schedule B under a non-temporary appointment, and (3) any preference eligible employee who has completed one year of current continuous employment in a position outside the competitive service. The regulations in this subpart do not apply to the employees excluded by § 22.103.

(b) *Adverse actions covered.* The regulations in this subpart apply to (1) discharge, (2) suspension for more than thirty (30) days, (3) furlough without pay, and (4) reduction in rank or compensation. This includes reductions in rank or compensation which are taken, at the election of the agency, after a position classification decision by the Commission. The regulations in this subpart do not apply to the actions excluded by § 22.103.

§ 22.202 Procedures.

(a) *Notice of proposed adverse action.* Except as provided in paragraph (c) of this section, an employee against whom adverse action is sought shall be given at least thirty (30) full days' advance written notice stating any and all reasons, specifically and in detail, for any such proposed action.

(b) *Employee's answer.* Except as provided in paragraph (c) of this section, a reasonable time shall be allowed an employee for answering charges and notices of proposed adverse actions and for furnishing affidavits in support of such answers. The reasonable time required shall depend on the facts and circumstances of each case, and shall be sufficient to afford the employee ample opportunity to prepare answers and secure affidavits. If the employee answers, his answer shall be considered by the agency in reaching its decision. The employee may answer personally, or in writing, or both personally and in writing. The right to answer personally includes the right to answer orally in person by being given a reasonable opportunity to make any representations which he believes might sway the final decision on his case, but does not include the right to a trial or formal hearing with examination of witnesses. When the employee requests an opportunity to answer personally, the agency shall make a representative or represent-

atives available to receive his answer. The representative or representatives designated to hear the answer shall be persons who have authority either to make a final decision on the proposed adverse action or to recommend what final decision should be made.

(c) *Exceptions to notice period and opportunity to prepare answer.* (1) Advance written notice and opportunity to answer shall not be necessary in cases of furlough without pay due to unforeseeable circumstances, such as sudden breakdowns in equipment, acts of God, or emergencies requiring immediate curtailment of activities.

(2) In cases where reasonable cause exists to believe the employee to be guilty of a crime for which a sentence of imprisonment can be imposed, the employee need not be given the full thirty (30) days' advance written notice, but must be given such lesser number of days' advance notice and opportunity to answer as under the circumstances is reasonable and can be justified.

(d) *Duty status during notice period.* Except as provided in paragraph (e) of this section, an employee against whom adverse action is proposed shall be retained in an active duty status during the notice period. When circumstances are such that the retention of the employee in an active duty status in his position may result in damage to Government property or may be detrimental to the interests of the Government or injurious to the employee, his fellow workers, or the general public, the employee may be temporarily assigned to duties in which these conditions will not exist or placed on leave with his consent.

(e) *Suspensions during notice period.* In an emergency case when, because of the circumstances described in paragraph (d) of this section, the employee cannot be kept in an active duty status during the notice period, he may be suspended. This suspension is a separate adverse action. An employee whose suspension under this paragraph is proposed is entitled, in connection with the suspension:

(1) If the suspension is for more than thirty (30) days, to the procedures required by this subpart;

(2) If the suspension is for thirty (30) days or less and the employee is covered under § 22.301, to the procedures required by Subpart C of this part; or

(3) If the suspension is for thirty (30) days or less and the employee is in the excepted service and not covered by § 22.301, to a written notice at least twenty-four (24) hours in advance of the effective date of the suspension.

The reasons for not retaining the employee in an active duty status during the notice period shall be included in the notice of suspension and, if the employee subsequently appeals from the final adverse decision, shall be reviewed by the Commission to determine their accordance with the circumstances described in paragraph (d) of this section. The agency may place the employee in a nonduty status with pay for such time, not to exceed five (5) days, as is necessary to effect the suspension.

(f) *Notice of adverse decision.* The employee shall be notified of the agency's decision at the earliest practicable date. The notice of decision shall be in writing, dated, and shall be delivered to the employee at or before the time the action will be made effective. It shall inform the employee of the reasons for the action taken, his right of appeal to the appropriate office of the Commission, and the time limit within which such appeal must be submitted, as provided in § 22.204(b).

§ 22.203 Agency reversal of certain adverse decisions.

If an employee who has been reduced in grade or compensation is restored to his former grade or rate of pay or to an intermediate grade or rate of pay as the result of an agency decision that its action under this subpart was unjustified or unwarranted, the restoration shall be made effective retroactively to the date of the improper action.

§ 22.204 Appeal rights to the Commission.

(a) *Right of appeal.* An employee may appeal to the Commission from an adverse action covered by this subpart. The appeal shall be in writing and shall set forth the employee's reasons for contesting the adverse action, with such offer of proof and pertinent documents as he is able to submit.

(b) *Time limit.* (1) Except as provided in subparagraphs (2), (3), and (4) of this paragraph, an appeal may be submitted at any time after receipt of the notice of adverse decision but not later than ten (10) days after the adverse action has been effected.

(2) In the case of a postmaster appointed by the President and confirmed by the United States Senate, who is notified of an adverse decision to discharge him and continues in office until a successor is installed, the time limit on an appeal shall be ten (10) days after receipt of the notice of adverse decision unless the provisions of subparagraph (3) of this paragraph apply.

(3) (i) An appeal may not be processed concurrently by the Commission under the Commission's regulations and by the agency under the agency appeals system established under Part 77 of this chapter.

(ii) If an employee elects to appeal to the agency within the time limit prescribed by § 77.113 of this chapter, he will be entitled to appeal to the Commission under the Commission's regulations only after the notice of the final agency appeal decision when the agency has only one level of appeal, or after the notice of the first-level agency appeal decision when the agency appeals system has more than one level of appeal. The time limit on an appeal to the Commission in such case shall be not earlier than receipt of the first-level agency appeal decision and not later than ten (10) days after receipt of such decision.

(iii) If an employee elects to appeal first to the Commission within the time limits specified in subparagraph (1) or (2) of this paragraph, he forfeits his right of appeal under the agency appeals system.

(iv) An employee who has appealed to his agency under Part 77 of the regulations may elect to terminate that appeal by appealing to the Commission if the first-level decision on his appeal, or the final decision when the agency has only one level of appeal, has not been made within sixty (60) days after the employee filed it.

(4) The time limits prescribed by this paragraph may be extended, in the discretion of the Commission, upon a showing by the employee that he was not notified of the applicable time limit and was not otherwise aware of it, or that circumstances beyond his control prevented him from filing an appeal within the prescribed time limit.

Subpart C—Suspensions of Thirty (30) Days or Less

§ 22.301 Coverage.

(a) *Employees covered.* The regulations in this subpart apply to (1) any career, career-conditional, overseas limited, or indefinite employee who is not serving a probationary or trial period in a position in the competitive service, and (2) any employee having a competitive status who occupies a position in Schedule B under a non-temporary appointment. The regulations in this subpart do not apply to the employees excluded by § 22.103.

(b) *Adverse action covered.* The regulations in this subpart apply to suspensions of thirty (30) days or less. They do not apply to the actions excluded by § 22.103.

§ 22.302 Procedures.

(a) *Notice of proposed adverse action.* An employee against whom adverse action is sought shall be given advance written notice stating the reasons, specifically and in detail, for the proposed action.

(b) *Employee's answer.* The employee shall be allowed a reasonable time for filing a written answer to the notice of proposed adverse action and for furnishing affidavits in support of his answer. If the employee answers the notice, his answer shall be considered by the agency in reaching its decision on the proposed adverse action.

(c) *Notice of adverse decision.* The employee shall be notified of the agency's decision at the earliest practicable date. The notice of decision shall be in writing and shall be delivered to the employee at or before the time the action will be made effective. It shall inform the employee of the reasons for the action taken, his right of appeal to the appropriate office of the Commission, and the time limit within which such appeal must be submitted, as provided in § 22.304(c).

§ 22.303 Emergency procedures.

In an emergency case, when circumstances are such that the retention of an employee in an active duty status may result in damage to Government property or may be detrimental to the interests of the Government or injurious to the employee, his fellow workers, or the general public, the agency may require the employee to answer the charges

and submit affidavits within such time as under the circumstances would be reasonable, but not less than twenty-four (24) hours. Where these circumstances require immediate action, the agency may place the employee in a nonduty status with pay for such time, not to exceed five (5) days, as is necessary to effect the suspension.

§ 22.304 Appeal rights to the Commission.

(a) *Right of appeal.* An employee may appeal to the Commission from the agency's decision to suspend him. The appeal shall be in writing.

(b) *Scope of review.* (1) The Commission will review, upon appeal, the procedures used in suspensions under this subpart. Its review will not include other matters except as provided for in subparagraphs (2) and (3) of this paragraph.

(2) When an employee submits an affidavit to the Commission alleging that adverse action was taken against him for political reasons not required by law, or resulted from discrimination because of marital status or physical handicap, the Commission will determine the validity of the contention and take appropriate action where indicated.

(3) When the suspension was imposed during the advance notice period of some other adverse action, the Commission will review the reasons for not retaining the employee in an active duty status if the employee appeals from the final adverse action.

(c) *Time limit.* An appeal may be submitted at any time after receipt of the notice of adverse decision but not later than ten (10) days after the effective date of the adverse action. This time limit may be extended, in the discretion of the Commission, upon a showing by the employee that he was not notified of the time limit and was not otherwise aware of it, or that circumstances beyond his control prevented him from filing an appeal within the prescribed time limit.

Subpart D—Commission Action on Appeal

§ 22.401 Initial appeal.

(a) *Investigation.* Investigation will be made by the Commission to develop the facts and circumstances relative to the adverse decision.

(b) *Evidence.* Statements of witnesses shall be by affidavit, when practicable, and relative to the adverse decision. It shall be the responsibility of both parties to the appeal to submit all evidence to the Chief, Appeals Examing Office, or to the regional director, as appropriate.

(c) *Availability of evidence.* All relevant representations shall be discussed with both parties to the appeal and shall be made available to them for review, with the following exception: When adverse action has been taken on the basis of the reported mental condition of the individual concerned or other conditions of such a nature that a prudent physician would hesitate to inform a person suffering from such a condition as to its exact nature and probable outcome, the medical evidence of record will be made available only to a duly licensed physician designated in writing by the appellant or by the appellant's representative.

(d) *Right to a hearing.* (1) Except as provided in subparagraph (2) of this paragraph, the employee shall have a right to a hearing before the office of the Commission undertaking initial adjudication of his case. This shall be the only opportunity for a hearing as a matter of right. The employee shall be informed of his right to a hearing and shall express his desire in writing.

(2) In the case of an appeal submitted under the provisions of § 22.304, there is no right to a hearing.

(e) *Hearing procedures.* (1) An employee has a right to appear at the hearing on his appeal, personally or through or accompanied by his representative, before the office of the Commission handling the appeal. The agency also has a right to participate in the hearing. Both parties shall have the right to produce witnesses. The Commission is not authorized to subpoena witnesses. The employee and his designated representative, and the agency, must make their own arrangements for the appearance of witnesses.

(2) Hearings shall not be open to the general public or the press. Attendance shall be limited to persons determined by the Commission to have a direct connection with the appeal.

(3) Hearings will be conducted by a representative of the Commission. Opportunity will be afforded for the introduction of evidence (including testimony and statements by the employee, his designated representative, representatives of the agency, and witnesses) and for the cross-examination of witnesses. The testimony shall be under oath or by affirmation. Rules of evidence will not be strictly applied, but the Commission representative shall use reasonable discretion to exclude irrelevant or unduly repetitious testimony.

(4) The office of the Commission handling the appeal shall determine how the hearing will be recorded. If the hearing is recorded verbatim, the reporter's transcript shall be made a part of the record of the proceedings and a copy shall be furnished to each party. When the hearing is not recorded verbatim, the Commission representative shall make a suitable summary of pertinent portions of the testimony. When agreed to in writing by all parties concerned, the summary shall constitute the report of the hearing and shall be made a part of the record. A copy shall be furnished to each party. Should the Commission representative and the parties fail to agree on the summary, the parties shall be permitted to submit in writing their exceptions to any part of the summary. Such exceptions shall be considered in connection with the making of the findings and the recommendation.

(f) *Decision.* The decision on the appeal shall be made by the Chief, Appeals Examining Office, or by the regional director, as appropriate. The decision shall consist of the findings and recommendations, including an analysis of the evidence, the reasons for the conclusions reached, and the action to be taken by the agency. A copy of the decision shall be furnished to the appellant or his designated representative and to the agency, with notification of the right of either party to appeal within seven (7) days after the date of receipt to the Board of Appeals and Review, U.S. Civil Service Commission, Washington 25, D.C. (hereinafter referred to as the "Board"). It is mandatory for the agency to take any corrective action specified in this decision unless further appeal is made to the Board. The agency shall report, within seven (7) days after receipt of the decision, that it has carried such decision into effect or that it is appealing the decision to the Board.

§ 22.402 Appeals to the Board of Appeals and Review.

(a) *General.* Appeals to the Board shall be in writing, shall set forth the basis for the appeal, and shall be filed within seven (7) days after the date of receipt of the decision of the Chief, Appeals Examining Office, or the regional director. This time limit may be extended, in the discretion of the Board, only upon a showing that circumstances beyond the control of the employee or the agency prevented the filing of a further appeal within the prescribed seven (7) days.

(b) *Board procedures.* The Board will review the entire record of the case and all relevant written representations. At this appellate level, there is no right to a hearing.

(c) *Decision of the Board.* The decision on an appeal to the Board shall be transmitted to the employee or his designated representative and to the agency. The Board's decision is final, and compliance with its recommendation for corrective action is mandatory. There is no further right of appeal. When corrective action is required, the agency shall comply with the Board's recommendation and shall report promptly to the Board that such action has been taken.

§ 22.403 The Commissioners.

The commissioners may, in their discretion, when in their judgment such action appears warranted by the circumstances, reopen and reconsider any previous decision.

§ 22.404 Failure to prosecute.

An appeal will be closed for failure to prosecute when the appellant does not furnish required information and duly proceed with the advancement of his appeal. Instead of closing for failure to prosecute, the Commission may adjudicate an appeal if the information is sufficient for that purpose. A closed appeal will not be reopened except in the discretion of the Commission upon a showing that circumstances beyond the control of the appellant prevented him from prosecuting the appeal.

§ 22.405 ' Death of appellant.

A proper appeal filed prior to the death of an appellant shall be processed to completion and adjudicated. As necessary, a recommendation for corrective action in such an appeal may provide for cancellation of the adverse action and for amendment of the agency's records to show retroactive restoration and continuance on the rolls to the date of death.

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] MARY V. WENZEL,
Executive Assistant to the Commissioners.

[F.R. Doc. 62-4859; Filed, May 18, 1962; 8:46 a.m.]

Title 7—AGRICULTURE

Chapter IV—Federal Crop Insurance Corporation, Department of Agriculture

PART 401—FEDERAL CROP INSURANCE

Subpart—Regulations for the 1961 and Succeeding Crop Years

COUNTY DESIGNATED FOR CORN CROP INSURANCE; APPENDIX

Pursuant to authority contained in § 401.1 of the above-identified regulations, as amended, the following county is hereby added to the lists of counties published February 16, 1961 and April 4, 1962, which were designated for corn crop insurance for the 1962 crop year.

MINNESOTA

Waseca.

(Secs. 506, 516, 52 Stat. 73, as amended, 77, as amended; 7 U.S.C. 1506, 1516)

[SEAL] JOHN N. LUFT,
Manager,
Federal Crop Insurance Corporation.

[F.R. Doc. 62-4860; Filed, May 18, 1962; 8:46 a.m.]

PART 401—FEDERAL CROP INSURANCE

Subpart—Regulations for the 1961 and Succeeding Crop Years

COUNTY DESIGNATED FOR SOYBEAN CROP INSURANCE; APPENDIX

Pursuant to authority contained in § 401.1 of the above-identified regulations, as amended, the following county is hereby added to the lists of counties published February 16, 1961 and April 4, 1962, which were designated for soybean crop insurance for the 1962 crop year.

MINNESOTA

Waseca.

(Secs. 506, 516, 52 Stat. 73, as amended, 77, as amended; 7 U.S.C. 1506, 1516)

[SEAL] JOHN N. LUFT,
Manager,
Federal Crop Insurance Corporation.

[F.R. Doc. 62-4861; Filed, May 18, 1962; 8:46 a.m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Valencia Orange Reg. 13]

PART 908—VALENCIA ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

§ 908.313 Valencia Orange Regulation 13.

(a) *Findings.* (1) Pursuant to the marketing agreement and Order No. 908, as amended (7 CFR Part 908), regulating the handling of Valencia oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations and information submitted by the Valencia Orange Administrative Committee, established under the said marketing agreement and order, as amended, and upon other available information, it is hereby found that the limitation of handling of such Valencia oranges as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 1001–1011) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for Valencia oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Valencia oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on May 17, 1962.

(b) *Order.* (1) The respective quantities of Valencia oranges grown in Arizona and designated part of California which may be handled during the period beginning at 12:01 a.m., P.s.t., May 20, 1962, and ending at 12:01 a.m., P.s.t., May 27, 1962, are hereby fixed as follows:

(i) District 1: Unlimited movement;
(ii) District 2: 350,000 cartons;
(iii) District 3: Unlimited movement.

(2) As used in this section, "handled," "handler," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in said marketing agreement and order, as amended.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: May 18, 1962.

PAUL A. NICHOLSON,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 62-4954; Filed, May 18, 1962; 11:09 a.m.]

[Lemon Reg. 21]

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 910.321 Lemon Regulation 21.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 910, as amended (7 CFR Part 910), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 1001–1011), because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation dur-

ing the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on May 15, 1962.

(b) *Order.* (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period beginning at 12:01 a.m., P.s.t., May 20, 1962, and ending at 12:01 a.m., P.s.t., May 27, 1962, are hereby fixed as follows:

(i) District 1: Unlimited movement;

(ii) District 2: 418,500 cartons;

(iii) District 3: Unlimited movement.

(2) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in the said amended marketing agreement and order.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: May 17, 1962.

PAUL A. NICHOLSON,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 62-4910; Filed, May 18, 1962; 8:48 a.m.]

Chapter X—Agricultural Stabilization and Conservation Service (Marketing Agreements and Orders), Department of Agriculture

PART 1195—TYPE 62 SHADE-GROWN CIGAR-LEAF TOBACCO GROWN IN DESIGNATED PRODUCTION AREA OF FLORIDA AND GEORGIA [1]

Order Regulating Handling

AUTHORITY: §§ 1195.0 to 1195.72 issued under secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674.

§ 1195.0 Findings and determinations.

(a) *Previous findings and determinations.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations made in connection with the issuance of the order; and all of said findings and determinations are hereby ratified and affirmed except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(b) *Findings upon the basis of the hearing record.* Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674), and the rules of practice and procedure, as amended, effective thereunder (7 CFR Part 900), a public hearing was held at Quincy, Florida, beginning on January 22, 1962, upon a proposed amendment of the marketing agreement and order regulating the handling of Type 62 shade-grown cigar-leaf tobacco grown in the designated production area of Florida and Georgia. Upon the basis of the evidence adduced at such hearing, and the record thereof, it is found that:

(1) The said order as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The said order as hereby proposed to be amended regulates the handling of Type 62 shade-grown cigar-leaf tobacco grown in the designated production area of Florida and Georgia in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, the marketing agreement and order upon which hearings have been held;

(3) The said order as hereby proposed to be amended is limited in its application to the smallest regional production area that is practicable, consistently with carrying out the declared policy of the act; and the issuance of several orders applicable to subdivisions of the production area would not effectively carry out the declared policy of the act;

(4) There are no differences in the production and marketing of Type 62 shade-grown cigar-leaf tobacco covered hereby that require the prescription of different terms applicable to different parts of the production area; and

(5) All handling of Type 62 shade-grown cigar-leaf tobacco grown in the designated production area is in the current of interstate or foreign commerce or directly burdens, obstructs, or affects such commerce.

(c) *Additional findings.* It is hereby found on the basis hereinafter indicated that good cause exists for making the provisions of this order effective not later than the time hereinafter specified rather than postponing the effective time until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 1001–1011). As soon as practicable after such effective time, it will be necessary for the new membership of the Control Committee to be selected, and for that committee and the Secretary to initiate and complete various actions of both organizational and regulatory natures; and considerable time will be required in this regard. Further, the supervision of regulation pursuant to the provisions of this order will require early preparatory actions by the Control Committee and by the Secretary, and time during which such actions will be concluded should be such that handlers will be able reasonably and adequately to prepare for such regulation. It is necessary that such regulation be in effect not later than the beginning of the tobacco harvest, which is imminent, so as to facilitate, promote, and maintain orderly marketing conditions with respect to the handling of Type 62 tobacco covered hereunder, and thereby permit the benefits of this amended regulatory program to be available to producers and handlers as soon as practicable. It is also desirable that such amended regulatory program be in effect at the time herein indicated so as to provide the maximum period of time during which growers and handlers may prepare for the handling of tobacco leaves in accordance with this order, including the handling certificate requirements thereof. Moreover, the provisions of the amended order are well known to the handlers of Type 62 tobacco since the public hearing in connection with the proposed amendment of the original order was concluded January 23, 1962, and the recommended decision and final decision were published in the FEDERAL REGISTER on March 22, 1962 (27 F.R. 2695), and April 11, 1962

[1] Originally 7 CFR Part 983.

(27 F.R. 3459, 3561), respectively. All known interested parties have received copies of the regulatory provisions, as amended, and compliance with such provisions will not require advance preparation on the part of handlers which cannot be completed prior to the effective time of regulation pursuant thereto; and no useful purpose would be served by postponing the effective time of the provisions of this order beyond the date of publication in the FEDERAL REGISTER.

(d) *Determinations.* It is hereby determined that:

(1) The "Amended Marketing Agreement Regulating the Handling of Type 62 Shade-grown Cigar-leaf Tobacco Grown in Designated Production Area of Florida and Georgia," upon which the aforesaid public hearing was held, has been executed by handlers (excluding cooperative associations of producers who are not engaged in processing, distributing, or shipping Type 62 shade-grown cigar-leaf tobacco covered by this order) who during the period February 1, 1961, through January 1962, handled not less than 50 percent of the volume of said Type 62 tobacco covered by this order; and

(2) The issuance of this order is favored or approved by at least two-thirds of the producers who participated in a referendum on the question of its approval and who, during the determined representative period (February 1, 1961, through January 1962), have been engaged, within the designated production area of Florida and Georgia, in the production for market of Type 62 shade-grown cigar-leaf tobacco, such producers having also produced for market at least two-thirds of the volume of such Type 62 tobacco represented in such referendum.

Termination of suspension order. The hearing record on the proposed amendment of the marketing agreement and order demonstrated that in the event of the issuance of an amended marketing order program, approved by the requisite number of producers, the order (20 F.R. 585, 21 F.R. 648) suspending the marketing agreement and order should simultaneously be terminated so as to reactivate the program in its amended form. The amended marketing agreement and order is adapted to, and recognizes, current production and marketing conditions and will tend to effectuate the declared policy of the act. Accordingly, such suspension order is hereby terminated effective upon publication hereof in the FEDERAL REGISTER so that the marketing agreement and order as amended can be made fully effective immediately upon the effective time of such amendment. It is further found, for the same reasons, that good cause exists for not postponing the termination of said suspension order for 30 days after publication in the FEDERAL REGISTER and for making such action effective as herein specified.

Order relative to handling. It is, therefore, ordered that, on and after the effective time hereof, all handling of Type 62 shade-grown cigar-leaf tobacco grown in the designated production area of Florida and Georgia shall be in conformity to, and in compliance with, the terms and conditions of said order as hereby amended; and the terms and conditions of said amended order are as follows:

DEFINITIONS

§ 1195.1 Secretary.

"Secretary" means the Secretary of Agriculture of the United States, and any other officer or employee of the United States Department of Agriculture who is, or may hereafter be, authorized to act in his stead.

§ 1195.2 Act.

"Act" means Public Act Number 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U.S.C. 601 et seq.).

§ 1195.3 Person.

"Person" means any individual, partnership, corporation, association, or any other business unit.

§ 1195.4 Tobacco.

"Tobacco" means all Type 62 shade-grown cigar-leaf tobacco, as classified in Service and Regulatory Announcement No. 118 (Part 30 of this title), that is grown in the production area and harvested after the effective date of this part.

§ 1195.5 Production area.

"Production area" means those counties bordering the Georgia-Florida State line and lying between the Suwanee River on the east and the Flint and Apalachicola Rivers on the west.

§ 1195.6 Grower; producer.

"Grower" or "producer" means any person who is engaged in a proprietary capacity, in the commercial production of tobacco.

§ 1195.7 Handler; packer.

"Handler" or "packer" means the first person, including any grower, who handles tobacco on his own behalf or on behalf of others after harvest and farm curing (initial drying from the green state).

§ 1195.8 Handle; pack.

"Handle" or "pack" means to receive, bulk, sweat, sort, select, bale, or otherwise prepare tobacco for market, or to market tobacco.

§ 1195.9 Prime.

"Prime" means to pick tobacco leaves from tobacco stalks.

§ 1195.10 Field.

"Field" means a field of tobacco within the confines of a single shade covering.

§ 1195.11 Fiscal period.

"Fiscal period" means the 12-month period beginning on February 1 and ending on January 31 of the following year, both dates inclusive: *Provided,* That the first fiscal period shall begin on the effective date of this part.

§ 1195.12 Control Committee; Committee.

"Control Committee" or "Committee" means the Control Committee established pursuant to § 1195.20.

CONTROL COMMITTEE

§ 1195.20 Establishment and membership.

(a) *Establishment.* A Control Committee consisting of 11 members is hereby established to administer the terms and provisions of this part. For each member of the Committee there shall be an alternate member who shall have the same qualifications as the member, and, unless otherwise specified, all provisions of this part applicable to a member shall be applicable to his alternate.

(b) *Membership representation*—(1) *Growers who are not handlers.* Three members shall be growers who are not handlers. Any such member may be an officer, employee or agent of a grower.

(2) *Growers who are also handlers.* Seven members shall be growers who are also handlers. Any such member may be an officer, employee or agent of a grower.

(3) *Handlers who are not growers.* One member shall be a handler who is not a grower. Such member may be an officer, employee or agent of the handler.

§ 1195.21 Term of office.

(a) *Initial members.* The term of office of each initial member of the Committee shall be the first fiscal period.

(b) *Successor members.* The term of office of each successor member shall be two consecutive fiscal periods.

(c) *General.* In the event a successor to any such member has not been selected and has not qualified by the end of the term of office of the respective member, such member shall continue to serve until his successor is selected and has qualified. Each member shall commence to serve on the date on which he qualifies.

§ 1195.22 Selection of members.

The Secretary shall select the various members of the Control Committee, and their respective alternates, on the basis and in the manner prescribed in §§ 1195.20 and 1195.23. However, with respect to the selection of the initial members of the Committee, the Secretary may make such selection without regard to any nominations.

§ 1195.23 Nominations.

(a) *Certain members.* For the consideration of the Secretary in making the selection of the members of the Committee who are to serve during the fiscal period ending on January 31, 1963, nominations for eligible members may be submitted by growers and handlers. Nominations for the grower members who are not handlers may be submitted by growers who are not handlers, or by groups, including associations, of such growers. Such nominations may be by virtue of elections conducted by groups of such growers. Nominations for the grower members who are also handlers may be submitted by growers who are also handlers, or by groups, including associations, of such growers. Such nominations may be by virtue of elections conducted by groups of such growers. Nominations for the handler member who is not a grower may be submitted by handlers or by groups, including associations, of such handlers.

Such nominations may be by virtue of elections conducted by groups of such handlers. Such nominations shall be submitted to the Secretary as soon as practical after the beginning of such fiscal period.

(b) *Successor members.* In order to provide nominations for successor members:

(1) The Control Committee shall hold or cause to be held, prior to November 15 of each year, in which successor members are to be selected by the Secretary, a meeting of growers who are not handlers for the purpose of designating nominees from among whom the Secretary may select grower members who are not handlers.

(2) The Control Committee shall hold, or cause to be held, prior to November 15 of each year, in which successor members are to be selected by the Secretary, a meeting of growers who are also handlers for the purpose of designating nominees from among whom the Secretary may select grower members who are also handlers.

(3) The Control Committee shall hold, or cause to be held, prior to November 15 of each year, in which successor members are to be selected by the Secretary, a meeting of handlers who are not growers for the purpose of designating nominees from among whom the Secretary may select the handler member who is not a grower.

(4) The Control Committee shall give adequate notice of each such meeting to all growers and handlers who may be eligible to participate in the respective nominations.

(5) The Secretary may prescribe additional rules and regulations not inconsistent with the provisions of this part, relative to the election of nominees for members on the Committee. Such action may be pursuant to recommendations of the Committee.

(6) At each such meeting held to nominate members on the Control Committee, those eligible to participate therein shall elect a chairman and secretary therefor. The chairman of each such meeting shall announce the name of each person for whom a vote has been cast, and the number of votes received by each shall be recorded in the minutes. Thereafter, the minutes of such meeting, including such information, shall be transmitted to the Secretary. In obtaining nominations, all persons eligible to participate therein shall be given a reasonable opportunity to vote.

(7) Only those eligible persons who are in attendance at any such meeting may participate in the designation of, and voting for, nominees. Each such person shall be entitled to cast but one vote on behalf of himself, his agents, subsidiaries, affiliates, and representatives for each member position for which he is eligible to participate in the designation and voting.

(8) Nominations for members shall be supplied to the Secretary not later than December 1 of the year in which the respective meeting was held, in such manner and form as the Secretary may prescribe.

§ 1195.24 Failure to nominate.

If nominations are not supplied to the Secretary within the time and in the manner and form specified by the Secretary pursuant to § 1195.23(b), the Secretary may, without regard to nominations, select the Committee members on the basis prescribed in § 1195.20.

§ 1195.25 Qualification.

Each person selected by the Secretary as a member of the Committee shall, prior to serving on the Committee, qualify by filing a written acceptance with the Secretary within 15 days after being notified of such section.

§ 1195.26 Alternate members.

An alternate for a member of the Committee shall, in the event of the member's absence, act in the place and stead of that member; and, in the event of the member's removal, resignation, disqualification, or death, such alternate shall act in the place and stead of such member until a successor for the unexpired term of said member is selected and has qualified.

§ 1195.27 Substitutes for members.

In the event the alternate who is authorized to act in the place and stead of a member is unable, or fails, to attend a meeting of the Committee, such member may designate any other alternate for a member of the same group as that represented by the absent member to act in his place and stead, and, pending such designation, the Secretary may designate such substitute.

§ 1195.28 Vacancies.

To fill any vacancy which occurs by reason of the failure of any person, selected as a member of the Control Committee, to file a written acceptance of appointment, or the death, removal, resignation, or disqualification of a member, a successor for his unexpired term of office shall be selected by the Secretary. Nominations may be submitted to the Secretary for his consideration in making such selection. The designation of nominees from among whom the Secretary may select a successor shall be in accordance with the provisions of this part applicable to the designation of nominees for successors to members of the Committee. In the event that such nominations are not submitted to the Secretary within 30 days after the beginning of the vacancy, the Secretary may select a successor without regard to such nomination.

§ 1195.29 Compensation.

Members of the Control Committee shall serve without compensation, but shall be reimbursed for reasonable expense necessarily incurred in the performance of their duties under this part.

§ 1195.30 Powers.

The Control Committee shall have the following powers:

(a) To administer the provisions of this part in accordance with its terms;

(b) To make rules and regulations to effectuate the terms and provisions of this part;

(c) To receive, investigate, and report to the Secretary complaints of violations of this part; and

(d) To recommend to the Secretary amendments to this part.

§ 1195.31 Duties.

The Control Committee shall have the following duties:

(a) To act as intermediary between the Secretary and any grower or handler;

(b) To select, from among its membership, a chairman and such other officers as may be necessary; to select subcommittees composed of committee members; and to adopt such rules and regulations for the conduct of its business as it deems advisable;

(c) To appoint such employees as it may deem necessary and to determine the salaries and define the duties of such employees;

(d) To keep such minutes, books, and other records as will clearly reflect all of its acts and transactions and which shall be subject to examination at any time by the Secretary;

(e) To furnish to the Secretary information as to all of its activities, including a copy of the minutes of each meeting, and such other information as the Secretary may request;

(f) To cause the books and other records of the Committee to be audited by one or more competent accountants at least once each fiscal period and at such other times as the Control Committee may deem necessary or as the Secretary may request, which report shall show the receipt and expenditure of funds collected pursuant to this part and a copy of each such report shall be furnished to the Secretary;

(g) To give to the Secretary the same notice of meetings of the Control Committee as is given to the members of the Committee; and

(h) With the approval of the Secretary, to issue such regulations as may be necessary and appropriate for the carrying out of the provisions of this part.

§ 1195.32 Procedure.

(a) The Control Committee may, upon the selection and qualification of nine of its members, organize and commence to function. It may hold meetings only after due notice to its members. The Secretary may designate the time and place of the initial meeting of the committee.

(b) A quorum shall consist of nine members, including alternate members and substitutes then serving in the place and stead of any members, in attendance at the meeting; and all decisions of the Committee shall require not less than seven concurring votes of the members who are present at such meeting.

(c) The Committee may permit voting by mail or telegraph upon due notice to all members: *Provided,* That this method of voting shall not be used at an assembled meeting to obtain votes from absent members: *Provided further,* That when any proposition is submitted for polling by such method, one dissenting vote shall prevent its adoption.

EXPENSES AND ASSESSMENTS

§ 1195.40 Use of funds collected.

All funds received by the Committee, pursuant to this part shall be used only for the purposes authorized in this part.

§ 1195.41 Budget and expenses.

The Control Committee is authorized to incur such expenses as the Secretary may find are reasonable and likely to be incurred by it during the then current fiscal period for its maintenance and functioning. The Committee shall, not later than 30 days after the beginning of each fiscal period, prepare and submit to the Secretary a budget of its proposed expenses for such fiscal period and a proposed rate of assessment, together with a report thereon. The funds to cover such expenses shall be acquired by levying assessments upon handlers as provided in this part.

§ 1195.42 Assessments.

(a) Each handler who first handles tobacco shall, with respect to such tobacco, pay to the Committee, upon demand, such handler's pro rata share of the expenses which the Secretary finds will be incurred, as aforesaid, by the Committee during the then current fiscal period. Each such handler's pro rata share of such expenses shall be equal to the ratio between the total quantity of tobacco handled by him as the first handler thereof during the applicable fiscal period and the total quantity of tobacco handled by all handlers as the first handlers thereof during the same fiscal period.

(b) In order to provide funds to carry out the functions of the Committee, handlers may make advance payments of assessments.

§ 1195.43 Rate of assessment.

(a) The Secretary shall fix the rate of assessment to be paid by such handlers; and such rate shall be fixed after consideration of the Committee's recommendations and other available information applicable thereto.

(b) The Secretary may increase the rate of assessment at any time during a fiscal period in order to secure sufficient funds to cover any later finding of the Secretary relative to the expenses of the Committee.

§ 1195.44 Refunds.

If, at the end of a fiscal period, the assessments collected are in excess of expenses incurred, each handler entitled to a proportionate refund of the excess assessments shall be credited with such refund against the operations of the following fiscal period, unless he demands payment thereof, in which event such proportionate refund shall be paid to him.

§ 1195.45 Accountability of Committee members for funds and property.

The Secretary may, at any time, require the Committee, its members, employees, agents, and all other persons to account for all receipts and disbursements for which they are responsible. Whenever any person ceases to be a member of the Control Committee, he shall account to his successor, to the Committee, or to such person as the Secretary may designate for all receipts, disbursements, funds, books and records, and other property (in his possession or under his control) pertaining to the activities of the Committee for which he is responsible, and shall execute such assignments and other instruments as may be necessary or appropriate to vest in such successor, the Committee, or person designated by the Secretary the right to all of such funds and property and all claims vested in such person.

§ 1195.46 Legal action for collection of assessments.

The Control Committee may, with the approval of the Secretary, maintain in its own name, or in the name of its members, legal action against any handler for the collection of such handler's pro rata share of the aforesaid expenses.

REGULATION

§ 1195.50 Marketing policy and report.

(a) At or as soon as practical after the beginning of each fiscal period the Committee shall consider, prepare, and submit to the Secretary, a proposed marketing policy, including a report thereon and proposed regulation, if any, with respect thereto, for the handling of tobacco during such period.

(b) In developing its marketing policy, the Committee shall investigate relevant supply and demand conditions for tobacco. In such investigation, the Committee shall give appropriate consideration to the following:

(1) Estimated supply of and demand for tobacco (after considering carryover, production, disappearance, and like factors);

(2) Market price of tobacco by grade and quality at the grower-level and the handler-level;

(3) The trend and level of consumer income; and

(4) Other relevant factors.

(c) In the event it becomes advisable to deviate from such marketing policy, because of changed supply and demand conditions, the Control Committee shall formulate a new or revised marketing policy in the manner heretofore indicated and shall submit such marketing policy, including a report thereon, to the Secretary.

(d) The Control Committee shall give reasonable notice thereof to growers and handlers of the contents of each such report. The Committee may also publish such report in newspapers, selected by the Committee, of general circulation in each county in which Type 62 shade-grown cigar-leaf tobacco is produced.

§ 1195.51 Recommendation for regulation.

(a) Whenever the Committee deems it advisable to limit, during any specified period or periods, the handling of tobacco pursuant to this part it shall recommend to the Secretary the quantity in terms of the number of leaves per tobacco plant, and the grade or quality of tobacco leaves, or either thereof deemed by it advisable to be handled. In making such recommendation, the Committee shall give consideration to the factors referred to in § 1195.50. The Committee shall submit such recommendation to the Secretary, together with the information on the basis of which it made its recommendation. With respect to any such recommendation which relates to the maximum number of leaves that may be handled, the committee shall specify the number of leaves per plant which should be fixed by the Secretary.

(b) The Committee may recommend the modification, suspension, or termination of any regulation pursuant to this part whenever it finds that to do so will tend to effectuate the declared policy of the act. The Committee shall submit such recommendation to the Secretary, together with the information on the basis of which it made its recommendation. With respect to any such recommendation which relates to the maximum number of leaves that may be handled, the committee shall specify the number of leaves per plant which should be fixed by the Secretary.

§ 1195.52 Issuance of regulation.

(a) Whenever the Secretary finds from the recommendation and information submitted by the Committee, or from other available information, that to limit the quantity (in terms of the number of leaves per tobacco plant) of tobacco leaves, and the grade or quality of tobacco leaves, or either thereof, that may be handled would tend to effectuate the declared policy of the act, he shall so limit the handling of tobacco during a specified period or periods. Each such regulation shall specify the maximum number (in terms of the number of leaves per tobacco plant) of tobacco leaves, and the grade or quality of tobacco leaves, or either thereof, that may be handled.

(b) The Secretary may modify, suspend, or terminate any regulation pursuant hereto whenever he finds, from the recommendation and information submitted by the Committee, or from other available information, that to do so will tend to effectuate the declared policy of the act. Any such modification with respect to the maximum number of tobacco leaves that may be handled may be accomplished by the issuance of a separate regulation increasing or decreasing, as the circumstances may warrant, the number "18" appearing in § 1195.53.

(c) The Secretary shall notify the Control Committee of each such regulation, modification, suspension, and termination; and the Committee shall give reasonable notice thereof to growers and handlers.

§ 1195.53 Initial regulation fixing number of leaves that may be handled.

Commencing with the fiscal period ending on January 31, 1963, and continuing until such time as suspended, modified, or terminated pursuant to this part: (a) The maximum number of leaves primed from any tobacco plant during a fiscal period that are eligible for handling is fixed at 18 plus the additional number of leaves provided in § 1195.55(b)(2); and (b) the maximum number of leaves primed from all to-

bacco plants during such fiscal period that may be handled is fixed at the number of tobacco leaves equal to 18 multiplied by the total number of tobacco plants grown during such fiscal period.

§ 1195.54 Limitations on handling.

No person, whether as principal, agent, broker, legal representative, or otherwise, shall, unless specifically authorized in writing by the Control Committee, handle more than the first three primings of tobacco grown in any field of any producer unless prior to such handling the Control Committee had issued a "handling certificate" with respect to such tobacco.

§ 1195.55 Issuance of handling certificates.

(a) Each grower shall, with respect to the tobacco of each of his fields, be entitled, upon application to the Control Committee, or its representative, in such manner and form as it may with the approval of the Secretary require, to a certification of the Committee of such tobacco of the grower as may be eligible for handling. Each such certificate shall state the name of the grower and the name of the handler, and identify the field in which the certificated tobacco was grown. Notwithstanding any other provision of this part unless otherwise provided in this part, no such certificate shall be issued with respect to any tobacco the handling of which is prohibited pursuant to this part.

(b) Upon application by a grower to the Control Committee for the issuance of a handling certificate for tobacco grown in a particular field, the committee shall issue such a certificate if it determines that the tobacco leaves involved are eligible for handling. Before issuing any such handling certificate, the committee shall have the tobacco inspected as well as the field in which grown and shall have on record a report of that inspection. In determining the number of tobacco leaves of a particular field eligible for handling and to be covered by a handling certificate, the committee shall issue the handling certificate for the tobacco leaves in accordance with the following:

(1) To the extent that not more than the applicable maximum number of leaves per tobacco plant specified for the then current fiscal period were primed from each tobacco plant in such field and constitute the leaves to be certified; or

(2) To the extent that not more than such applicable maximum number of leaves per tobacco plant plus two additional leaves were primed from any tobacco plant in such field and of the tobacco leaves constituting the leaves to be certified the average number of leaves primed per tobacco plant does not exceed the applicable maximum number of leaves.

(c) Any grower who is dissatisfied with any determination by the Control Committee, on his application for the issuance of a handling certificate, may file a protest with the Committee: *Provided,* That such protest is in writing and filed promptly. The grower may submit with the protest, such evidence and supporting data and information as he deems appropriate to substantiate his protest and enable the Committee to reconsider the matter. Any such grower who is dissatisfied with the decision of the Control Committee in regard to his protest may appeal in writing to the Secretary. The Secretary may, upon an appeal made as aforesaid, modify or reverse the action of the Committee from which the appeal was taken. The authority of the Secretary to supervise and control the issuance of handling certificates is unlimited and plenary; and any decision by the Secretary with respect to any handling certificate shall be final and conclusive.

§ 1195.56 Identification of tobacco handled.

The Committee may, with the approval of the Secretary, adopt requirements of identification by handlers of tobacco handled by them during such periods of time as the Committee deems necessary.

§ 1195.57 Exemption certificates.

(a) The Committee shall, subject to the approval of the Secretary, adopt the procedural rules to govern the issuance of exemption certificates.

(b) The Control Committee may issue certificates of exemption to any grower who applies for such exemption and furnishes proof, satisfactory to the Committee, that by reason of Acts of God or other conditions beyond his control and reasonable expectation he will be prevented because of any regulation pursuant to this part from handling, or having handled, as large a proportion of his production of tobacco during the then current fiscal period as the estimated average proportion of production of tobacco permitted to be handled during such fiscal period. Each such exemption certificate shall permit the grower to handle, or have handled, a proportion of his production equal to the aforesaid estimated average proportion of production. The Committee shall maintain a record of all applications submitted for exemption certificates and shall maintain a record of all certificates issued, including the information used in determining in each instance the quantity of tobacco thus to be exempted, and a record of all exempted tobacco handled. Such additional information as the Secretary may require shall be in the record of the Committee. The Committee shall, from time to time, submit to the Secretary reports stating in detail the number of exemption certificates issued, the quantity of tobacco thus exempted, and such additional information as may be requested by the Secretary.

(c) Any grower who is dissatisfied with any determination by the Control Committee on his application for the issuance of an exemption certificate may file a protest with the Committee: *Provided,* That such protest is in writing and filed promptly. The grower may submit with the protest, such evidence and supporting data and information as he deems appropriate to substantiate his protest and enable the Committee to reconsider the matter. Any such grower who is dissatisfied with the decision of the Control Committee in regard to his protest may appeal in writing to the Secretary. The Secretary may, upon an appeal made as aforesaid, modify or reverse the action of the Committee from which the appeal was taken. The authority of the Secretary to supervise and control the issuance of exemption certificates is unlimited and plenary; and any decision by the Secretary with respect to any exemption certificate shall be final and conclusive.

(d) The Committee shall be permitted at any time to make a thorough investigation of any grower's or handler's claim pertaining to exemptions.

MISCELLANEOUS

§ 1195.60 Books and records.

(a) Each handler and each subsidiary and affiliate thereof shall keep, and retain for five years, such books and records as will clearly show the details of the respective person's handling of tobacco, including, but not being limited to, identification of the grower of the tobacco and the field in which produced, and which shall be available for examination upon request of the Secretary.

(b) Upon the request of the Committee made with the approval of the Secretary, each handler shall furnish to the Committee, in such manner and at such time as may be prescribed, such information as will enable the Committee to exercise its powers and perform its duties under this part.

§ 1195.61 Compliance.

Except as provided in this part, no handler shall handle tobacco, the handling of which is prohibited pursuant to this part and no handler shall handle tobacco except in conformity to the provisions of this part.

§ 1195.62 Right of the Secretary.

The members of the Committee, including successors and alternates thereof, and any agent or employee appointed or employed by the Committee, shall be subject to removal or suspension by the Secretary at any time. Each and every order, regulation, determination, decision, or other act of the Committee shall be subject to the continuing right of the Secretary to disapprove of the same at any time. Upon such disapproval, the disapproved action of the said Committee shall be deemed null and void, except as to acts done in reliance thereon or in compliance therewith prior to such disapproval by the Secretary.

§ 1195.63 Amendment.

Amendments to this part may be proposed, from time to time, by the Committee or by the Secretary.

§ 1195.64 Duration of immunities.

The benefits, privileges and immunities conferred upon any person by virtue of this part shall cease upon the termination of this part, except with respect to acts done under this part and during the existence of this part.

§ 1195.65 Agents.

The Secretary may, by designation in writing, name any person, including any officer or employee of the Government, or name any bureau or division in the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this part.

§ 1195.66 Derogation.

Nothing contained in this part is, or shall be construed to be, in derogation or in modification of the rights of the Secretary or of the United States to exercise any powers granted by the act or otherwise, or, in accordance with such powers, to act in the premises whenever such action is deemed advisable.

§ 1195.67 Personal liability.

No member or alternate of the Committee, nor any employee or agent thereof, shall be held personally responsible, either individually or jointly with others, in any way whatsoever to any handler or to any other person for errors in judgment, mistakes, or other acts, either of commission or omission, as such member, alternate, agent, or employee, except for acts of dishonesty.

§ 1195.68 Separability.

If any provision of this part is declared invalid, or the applicability of this part to any person, circumstance, or thing is held invalid, the validity of the remainder of this part, or the applicability thereof, to any other person, circumstance, or thing shall not be affected thereby.

§ 1195.69 Effective time.

The provisions of this part shall become effective at such time as the Secretary may declare above his signature attached to this part and shall continue in force until terminated in any of the ways specified in this part.

§ 1195.70 Termination.

(a) The Secretary may, at any time, terminate the provisions of this part by giving at least one day's notice by means of a press release or in any other manner which he may determine.

(b) The Secretary may terminate or suspend the operation of any or all of the provisions of this part, or regulations pursuant to this part, whenever he finds that such provisions or regulations do not tend to effectuate the declared policy of the act.

(c) The Secretary shall terminate the provisions of this part at the end of any fiscal period whenever he finds that such termination is favored by a majority of growers who, during the preceding fiscal period, have been engaged in the production of tobacco for market: *Provided,* That such majority has, during such period, produced for market more than fifty percent of the volume of such tobacco produced for market; but such termination shall be effective only if announced on or before January 31 of the then current fiscal period.

(d) The provisions of this part shall, in any event, terminate whenever the provisions of the act authorizing them cease to be in effect.

§ 1195.71 Proceedings after termination.

(a) Upon the termination of the provisions of this part, the then functioning members of the Committee shall continue as trustees (for the purpose of liquidating the affairs of the Committee) of all funds and the property then in the possession of, or under control of, the Committee, including claims for any funds unpaid, or property not delivered at the time of such termination. Action by said trusteeship shall require the concurrence of a majority of the said trustees.

(b) Said trustees shall continue in such capacity until discharged by the Secretary; shall, from time to time; account for all receipts and disbursements and deliver all funds and property on hand, together with all books and records of the Committee and of the trustees, to such person as the Secretary may direct; and shall, upon request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title and right to all of the funds, property, and claims vested in the Committee or the trustees pursuant thereto.

(c) Any person to whom funds, property, or claims have been transferred, or delivered by the Committee or its members, pursuant to this section shall be subject to the same obligations imposed upon the members of the said Committee and upon the said trustees.

§ 1195.72 Effect of termination or amendment.

Unless otherwise expressly provided by the Secretary, the termination of this part or of any regulation issued pursuant to this part, or the issuance of any amendment to either thereof, shall not (a) affect or waive any right, duty, obligation, or liability which shall have arisen, or which may thereafter arise, in connection with any provision of this part, or any regulation issued under this part, or (b) release or extinguish any violation of this part, or of any regulation issued under this part, or (c) affect or impair any rights or remedies of the Secretary, or of any other person, with respect to any such violation.

Issued at Washington, D.C., this 16th day of May 1962, to become effective upon publication in the FEDERAL REGISTER.

JOHN P. DUNCAN, Jr.,
Assistant Secretary.

[F.R. Doc. 62-4877; Filed, May 18, 1962; 8:47 a.m.]

Title 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Agricultural Research Service, Department of Agriculture

SUBCHAPTER C—INTERSTATE TRANSPORTATION OF ANIMALS AND POULTRY

PART 77—TUBERCULOSIS IN CATTLE

Restrictions on Interstate Movement of Cattle Because of Tuberculosis

Pursuant to § 77.3 of the regulations restricting the movement of cattle because of tuberculosis (9 CFR Part 77), issued under the provisions of sections 1 and 2 of the Act of February 2, 1903, as amended, and sections 4 and 5 of the Act of May 29, 1884, as amended (21 U.S.C. 111–113, 120, 121), and upon the basis of determinations made by the Director of the Animal Disease Eradication Division under said section, § 77.3a of Part 77, Subchapter C, Chapter I, Title 9, Code of Federal Regulations, is hereby amended to read:

§ 77.3a Modified accredited areas.

The following areas are hereby designated as modified accredited areas: The District of Columbia and all portions of all States and Territories of the United States, other than the State of Hawaii.

(Secs. 4, 5, 23 Stat. 32, as amended, secs. 1, 2, 32 Stat. 791–792 as amended; 21 U.S.C. 111–113, 120, 121; 19 F.R. 74, as amended; 9 CFR 77.3)

Effective date. This amendment shall become effective upon issuance.

The amendment restores Jackson County in the State of Michigan to the areas designated as modified accredited areas because such County now meets the qualifications of such an area as set out in § 77.3.

The amendment relieves certain restrictions presently imposed and must be made effective promptly to be of maximum benefit to persons subject to the restrictions which are relieved. Accordingly, under section 4 of the Administrative Procedure Act (5 U.S.C. 1003), it is found upon good cause that notice and other public procedure with respect to the amendment are impracticable and contrary to the public interest, and the amendment may be made effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Washington, D.C., this 16th day of May 1962.

F. J. MULHERN,
Director, Animal Disease Eradication Division, Agricultural Research Service.

[F.R. Doc. 62-4875; Filed, May 18, 1962; 8:47 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter III—Federal Aviation Agency

SUBCHAPTER E—AIR NAVIGATION REGULATIONS

[Airspace Docket No. 62-WA-12]

PART 602—DESIGNATION OF JET ROUTES, JET ADVISORY AREAS, AND HIGH ALTITUDE NAVIGATIONAL AIDS

Alteration of Jet Route

On March 7, 1962, a notice of proposed rule making was published in the FEDERAL REGISTER (27 F.R. 2185) stating that the Federal Aviation Agency proposed to alter the segment of Jet Route No. 78 from Amarillo, Tex., to Tulsa, Okla.

No adverse comments were received regarding the proposed amendment.

Interested persons have been afforded an opprotunity to participate in the making of the rule herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendment having been published, therefore, pursuant to the authority delegated to me by the Administrator (25 F.R. 12582) and for the reasons stated in the notice, § 602.100 *Jet routes* (14 CFR 602.100) is amended as follows:

In the text of Jet Route No. 78 "Amarillo, Tex., INT of the Amarillo 082° and the Tulsa, Okla., 257° radials; Tulsa;" is deleted and "Amarillo, Tex.; Oklahoma City, Okla.; Tulsa, Okla.;" is substituted therefor.

This amendment shall become effective 0001 e.s.t., July 26, 1962.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on May 14, 1962.

LEE. E. WARREN,
Acting Director,
Air Traffic Service.

[F.R. Doc. 62-4850; Filed, May 18, 1962; 8:45 a.m.]

Title 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T.D. 55620]

PART 16—LIQUIDATION OF DUTIES

Conversion of Currency; Removal of Argentina From List of Quarterly Rate Countries

Argentina, designated in T.D. 55477, effective commencing October 1, 1961, as a country whose currency shall be subject to conversion for customs purposes at the rate of exchange first certified by the Federal Reserve Bank of New York for a day within each calendar quarter, hereby is removed from the list of such countries, pursuant to section 522(c)(1)(B) of the Tariff Act of 1930, as amended (31 U.S.C. 372(c)(1)(B)).

The list of quarterly-rate countries set forth at the end of paragraph (d) of § 16.4, Customs Regulations (19 CFR 16.4(d)) therefore is amended by deleting Argentina, effective on the date of publication of this Treasury decision in the FEDERAL REGISTER.

Publication of notice and public procedure under section 4 of the Administrative Procedure Act (5 U.S.C. 1003) is dispensed with because it is imperative in the proper administration of the law and regulations that this Treasury decision be put into effect without delay. This urgency also constitutes good cause for not deferring the effective date pursuant to section 4(c) of such Act.

(R. S. 251, secs. 522, 624, 46 Stat. 739, as amended, 759; 19 U.S.C. 66, 1624, 31 U.S.C. 372)

For the dates listed below, the Federal Reserve Bank of New York certified rates for the Argentine peso which vary by 5 percentum or more from the rate, $0.0120519, the Bank first certified under section 522(c) for a day in the calendar quarter beginning April 1, 1962 (T.D. 55594). Therefore, as to entries covering merchandise exported on the dates listed, whenever it is necessary for customs purposes to convert Argentine currency into currency of the United States such conversion shall be at the daily rate certified by the Bank, as herewith published:

Argentine peso	
April 10, 1962	$0.00989827
April 11, 1962	.0100440
April 12, 1962	.0102258
April 13, 1962	.0101605
April 16, 1962	.0100318
April 17, 1962	.0100417
April 18, 1962	.0100875
April 19, 1962	.00995075

Rates of exchange certified for the Argentine peso such as vary by 5 percentum or more from the rate of $0.0120519 hereafter will be published in a Treasury decision for dates subsequent to April 19, 1962, and before the effective date of this Treasury decision.

[SEAL] D. B. STRUBINGER,
Acting Commissioner of Customs.

Approved: May 11, 1962.

JAMES A. REED,
Assistant Secretary of the Treasury.

[F.R. Doc. 62-4870; Filed, May 18, 1962; 8:46 a.m.]

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

SUBCHAPTER C—DRUGS

PART 147—ANTIBIOTICS INTENDED FOR USE IN THE LABORATORY DIAGNOSIS OF DISEASE

Antibiotic Sensitivity Discs; Colistin

Correction

In F.R. Doc. 62-4725, appearing at page 4624 of the issue for Wednesday, May 16, 1962, the word "mystatin" in the quoted matter in item 3 should read "nystatin".

Title 32—NATIONAL DEFENSE

Chapter VII—Department of the Air Force

SUBCHAPTER J—AIR FORCE PROCUREMENT INSTRUCTION

PART 1054—CONTRACT ADMINISTRATION

Subpart A—Administration of AF Contracts by Contracting Officers

MISCELLANEOUS AMENDMENTS

The following miscellaneous amendments and revisions are issued to Part 1054:

1. Revise paragraph (b) of § 1054.103 to read as follows:

§ 1054.103 Definitions.

* * * * *

(b) "Contract:" See definition in § 1.201-4 of this title.

2. Revise § 1054.104 to read as follows:

§ 1054.104 Matters of contract administration to be handled by Administrative Contracting Officers.

As a representative of the Government the ACO administers any AF contract as written (including all amendments). Some of the more important duties of contract administration are to:

(a) Review and approve wage and salary schedules within limitations established by any Federal wage or salary stabilization board in connection with cost-reimbursement type contracts.

(b) Determine allowability of costs under Part 15 of this title.

(c) Approve contractor's invoices where administrative approval by a contracting officer is required by the terms of the contract and authority therefor is vested in the ACO. Approve invoices for progress payments.

(d) Administer advance payment bank accounts when so authorized by Financial Branch (MCPMF), Directorate of Procurement and Production, Hq, AMC.

(e) In connection with provisioning of spare parts:

(1) Review and approve pricing of spare parts.

(2) Negotiate, prepare, execute, and issue supplemental agreements.

(3) Issue DD Form 1155, "Order for Supplies or Services," to obligate committed funds.

(f) Approve insurance plans and costs connected therewith.

(g) Approve subcontracts and purchase orders to vendors according to the provisions of the contract being administered. See § 3.903 of this title.

(h) Take administrative action relating to variation in quantities as set forth in § 1053.406 of this chapter.

(i) Analyze and make recommendations on contractor's quotations upon request of procuring contracting officers.

(j) When requested, participate in price redeterminations at Hq AMC or AMC field procurement activities.

(1) When price redetermination is to be accomplished by AMAs, review contractor's quotations and, to the extent authorized negotiate the revision in price and accomplish necessary contractual changes according to the agreements reached.

(2) Approve contractor's accounting system for cost-reimbursement contracts and fixed-price contracts having redetermination clauses according to existing directives.

(k) Issue and approve issuance of tax-exemption certificates when permissible under the contract and where authorized by commanders according to § 1011.-205(b) of this chapter.

(l) Take action to approve sale or disposition of Government property according to existing directives. (See Subpart E, Part 8 of this title and Subpart E, Part 1008 of this chapter.)

(m) Relative to Government property:

(1) In cases of loss, destruction, or damage thereto, determine liability of the contractor, if any.

(2) In cases involving discrepancies incident to shipment to or from the contractor's facility, determine the adjusting action required (see Subpart U, Part 1013 of this chapter).

(n) Report all litigation involving a CPFF contractor to the Office of the Judge Advocate General, Hq USAF, as required by AFR 110–3 (Taxation, Legal and Administrative Actions, and Legal Process). Confer with his staff judge advocate as required.

(o) Determine that bailed property is used for the purposes intended.

(p) Be responsible for obtaining approval of all bailee's crews designated to crew and maintain aircraft.

(q) Prepare findings of fact and issue decisions on nonallowable items of cost under the disputes clause. See § 1.314 of this title and § 1001.314 of this chapter.

(r) Be responsible for determining whether the contractor has complied with applicable labor clauses, such as Davis-Bacon Act, Walsh-Healey Public Contracts Act, Convict Labor, etc., insofar as the Air Force is charged with such responsibility.

(s) With respect to facilities contracts, approve items for acquisition or performance.

(t) With respect to facilities contracts, authorize the use of the facilities according to the terms of the contract and collect rent, including the negotiation of amounts, as necessary.

(u) Establish and/or recommend negotiated overhead rates for use in facilities contracts.

(v) Negotiate overhead rates for cost-reimbursement type supply contracts. (See Subpart G, Part 3 of this title and Subpart G, Part 1003 of this chapter.)

(w) Enforce the proper maintenance and protection of Government-owned facilities covered by facilities contracts and leases.

(x) In connection with open and call contracts, subject to their terms, perform the following:

(1) Issue call orders authorized by Hq AFLC or the procuring office.

(2) Negotiate and approve priced exhibits covering calls against open contracts; however, any priced exhibit exceeding $100,000 will be subject to the review and administrative approval in Subpart F, Part 1055 of this chapter prior to distribution.

(3) Send copies of approved exhibits to the buying activity.

(4) Obtain printing and distribution of approved exhibits as required.

(5) Negotiate and approve delivery schedules.

(y) Generally, make determinations and give approvals which are required by the provisions of the contract or subcontract and perform such other duties required by the contract or by applicable directives.

(z) Notify the contractor and other interested parties of the acceptance or rejection of first articles where the contract contains a provision for first article approval. When the first article approval clause in § 1007.4020 of this chapter is incorporated in the contract, any notification to the contractor required therein, other than that of termination, will be accomplished by the ACO. The Government laboratory or commercial testing firm responsible for conducting the required tests will notify the ACO of the acceptance or rejection of the first article. Upon receiving such information, the ACO will immediately notify the contractor, production specialist, procuring contracting officer, the appropriate AMA, or other interested persons.

(aa) When closing out cost-reimbursement contracts, obtain release from contractors according to appropriate contract clause. See § 16.1812 of this title for release form. (Also see § 1016.812 of this chapter.)

(bb) When decision to terminate or reduce is pending on aircraft or missile propulsion system production contracts, obtain cost data and complete engine and spare data for the procuring contracting officer. (See AFLCR 57–2.)

(cc) When extenuating circumstances arise on contracts exempted from production surveillance, the ACO may request production surveillance as prescribed in AFLCM 84–2.

(dd) When advised by the contractor according to § 1007.4053 of this chapter that an item being procured under any contract he is administering will contain radioactive materials, he will forward this information to AFLC (MCDPE), SAAMA (SANATF), and the inventory manager of the commodity.

(ee) Correct administrative, arithmetic errors in computation of unit price extensions, arithmetic totals, arithmetic subtractions, and other computational errors expressed in monetary units; provided that units, unit prices, and other computational bases are correct; and, provided that no error may be corrected by this method which involves an amount of over $5.00. Corrections will be made by the ACO by Administrative Notice. Administrative Notice will be given the same distribution as the original contract.

3. Amend the heading of § 1054.105 only, to read as follows:

§ 1054.105 Administrative duties reserved for procuring contracting officers of AFLC and AFSC central procurement activities.

4. Add § 1054.114 as follows:

§ 1054.114 Assignment of administrative contracting officer at principal office of multi-divisional contractors.

(a) Whenever it becomes necessary to coordinate the management policies and practices of a multi-divisional (plant) contractor with other contract administration activities, or whenever a cognizant Audit agency assigns a contract audit coordinator according to the Audit Agencies, Joint Letter No. 43 (revised), March 3, 1961, the APD/AFPRO will assign an administrative contracting officer at the principal office of the contractor to:

(1) Coordinate with AF contract administration activities at other divisions of the contractor on matters relating to negotiated and actual costs, overhead rates and allocations, estimating, pricing, purchasing, and subcontracting policies and practices.

(2) Coordinate with contract audit coordinator on management accounting policies and practices.

(3) Disseminate all appropriate information to AF contract administration activities at other divisions or plants of the contractor.

(b) Upon notification that a contract audit coordinator has been assigned, AFSC, Deputy Director of Procurement (ASXKK), Wright-Patterson AFB, through channels, will notify the appropriate APD/AFPR. The APD/AFPR will advise ASXKK name and address of the principal ACO assignment, when such assignment is appropriate.

(c) Information list:

(1) The following list contains names and addresses of: (i) Multi-divisional contractor, (ii) cognizant audit agency assigning contract audit coordinator, and (iii) APD/AFPR assigning principal contracting officer:

Contractor	Contract Audit Coordinator	APD/AFPR
Aerojet General Corp.	Chief Auditor, Navy Audit Office, Aero-Jet General Corp., P.O. Box 18, Azusa, Calif. Tel: Cumberland 3-6111.	Los Angles APD.
AVCO Corp.	Branch Chief, USAF Auditor General Branch Office, Lycoming Division, AVCO Corp., Stratford, Conn. Tel: DR 8-8211, Ext. 572.	New York APD.
American Machine & Foundry Co.	Auditor-in-Charge (A.M.F.), New York District Office, U.S. Army Audit Agency, 290 Broadway, New York 7, N.Y. Tel: BA 7-0800.	Do.
American Telephone & Telegraph Co.	Managing Auditor, Western Electric Residency, U.S. Army Audit Agency, 120 Broadway, New York 5, N.Y. Tel: Dial Code 571-3452.	Do.
Bendix Corp.	Chief Auditor, Navy Audit Office, 130 West Larned St., Detroit 26, Mich. Tel: Woodward 1-7425.	Detroit APD.
Boeing Co.	USAF Resident Auditor, Aerospace & Industrial Products Division, Boeing Airplane Co., 7755 East Marginal Way, Seattle 8, Wash. Tel: Juniper 6-8278.	AFPR Boeing Co., Seattle, Wash.
Chrysler Corp.	Supervisory Auditor-in-Charge, Chrysler Corp., Detroit District Office, U.S. Army Audit Agency, 5815 Concord Ave., Detroit 11, Mich. Tel: Walnut 3-0100.	Detroit APD.
Collins Radio Co.	Chief Auditor, Navy Audit Office, Collins Radio Co., 321 Third St. SE., Cedar Rapids, Iowa. Tel: Empire 5-8451.	Chicago APD.
Continental Aviation & Engineering Corp., Continental Motors Corp.	Supervisory Auditor-in-Charge, Continental Aviation & Engineering, and Continental Motors, Detroit District Office, U.S. Army Audit Agency, 5815 Concord Ave., Detroit 11, Mich. Tel: Walnut 3-0100.	Cleveland APD.

Contractor	Contract Audit Coordinator	APD/AFPR
General Dynamics Convair	USAF Resident Auditor, Convair-San Diego Division, General Dynamics Corp., San Diego 12, Calif. Tel: Cypress 6-6611, Ext. 553.	AFPR, General Dynamics/ Convair, San Diego, Calif.
Curtiss-Wright Corp	USAF Resident Auditor, Wright Aeronautical Division, Curtiss-Wright Corp., Woodridge, N.J. Tel: Prescott 7-2900, Ext. 2846.	Newark APD.
Douglas Aircraft Co., Inc	USAF Resident Auditor, Douglas Aircraft Co., Inc., 3000 Ocean Park Blvd., Santa Monica, Calif. Tel: Upton 0-1211, Ext. 3510.	AFPR, Douglas Acft Co., Santa Monica, Calif.
Food Machinery & Chemical Corp.	Resident Auditor, U.S. Army Audit Agency, San Jose Residency, P.O. 367, San Jose, Calif. Tel: CY 4-8124, Ext. 391.	San Francisco APD.
Ford Motor Co	Supervisory Auditor-in-charge, Ford Motor Co., Detroit District Office, U.S. Army Audit Agency, 5815 Concord Ave., Detroit 11, Mich. Tel: Walnut 3-0100.	Detroit APD.
General Electric Co	USAF Resident Auditor, General Electric Co., Bldg. 23, Room 236, 1 River Rd., Schenectady, N.Y. Tel: Franklin 4-2211, Ext. 52698.	Rochester APD.
General Motors Corp	Branch Chief, USAF Auditor, General Branch Office, 6233 Concord St., Detroit 11, Mich. Tel: WA 1-4721, Ext. 158.	Detroit APD.
General Precision, Inc	USAF Resident Auditor, American Machine & Foundry Co., Greenwich, Conn.	New York APD.
Hercules Powder Co	Auditor-in-Charge, Hercules Powder Co., Navy Area Audit Office, Philadelphia, 1409 North Broad St., Philadelphia 22, Pa. Tel: Locust 8-0400.	Philadelphia APD.
Hughes Aircraft Co	USAF Resident Auditor, Hughes Aircraft Co., Florence Ave. and Teal St., Culver City, Calif. Tel: Upton 0-7111, Ext. 6211.	AFPR, Hughes, Culver City, Calif.
International Business Machines Corp.	USAF Resident Auditor, Federal Systems Division, IBM Corp., Neighborhood Rd., Kingston, N.Y. Tel: Federal 8-5000, Ext. 6737.	New York APD.
International Telephone & Telegraph Corp.	USAF Resident Auditor, ITT Labs., Division of International Telephone & Telegraph Corp., 500 Washington Ave., Nutley, N.J. Tel: North 1-1100, Ext. 498.	Newark APD.
Lear, Inc	USAF Resident Auditor, Lear, Inc., 110 Ionia Ave. NW., Grand Rapids, Mich. Tel: GL 1-1566, Ext. 667.	Los Angeles APD.
Litton Industries, Inc	Chief Auditor, Navy Audit Office, Litton Industries, Inc., 21321 Gault Street, Canoga Park, Calif. Tel: Diamond 6-4040, Ext. 2929.	Los Angeles APD.
Lockheed Aircraft Corp	USAF Resident Auditor, Lockheed Aircraft Corp., P.O. Box 551, Burbank, Calif. Tel: Triangle 7-2711, Ext. 1106.	AFPR, Lockheed, Burbank, Calif.
The Martin Co	Chief Auditor, Navy Audit Office, The Martin Co., Mail #M336, Baltimore 3, Md. Tel: Eastern 7-4550.	AFPRO, The Martin Co., Baltimore, Md.
Minneapolis-Honeywell Regulator Co.	USAF Resident Auditor, Minneapolis-Honeywell Regulator Co., 2753 Fourth Ave., South, Minneapolis 8, Minn. Tel: FE 2-5225, Ext. 2697.	Milwaukee APD.
Motorola, Inc	Resident Auditor, U.S. Army Audit Agency, Engineering Bldg., 4545 West Augusta Blvd., Chicago 51, Ill. Tel: Spalding 2-6500, Ext. 756.	Chicago APD.
North American Aviation, Inc	USAF Resident Auditor, North American Aviation, Inc., International Airport, Los Angeles 45, Calif. Tel: Oregon 8-3011, Ext. 1793.	AFPR, N. American, Los Angeles, Calif.
Northrop Corp	USAF Resident Auditor, Northrop Corp., 1001 East Broadway, Hawthorne, Calif. Tel: Oregon 8-9111, Ext. 1915.	AFPR, Northrop, Hawthorne, Calif.
Olin Mathieson Chemical Corp.	Assistant District Manager, U.S. Army Audit Agency, Boston District Office, Boston Army Base, Boston 10, Mass. Tel: LI 2-6000, Ext. 730.	Rochester APD.
Philco Corp	Chief Auditor, Navy Audit Office, Philco Corp., 4700 Wissahickon Ave., Philadelphia 44, Pa. Tel: Victor 3-4000.	Philadelphia APD.
Radio Corp. of America	Auditor-in-Charge, Radio Corp. of America, Navy Area Audit Office, New York, 346 Broadway, New York 13, N.Y. Tel: Rector 2-8000.	Do.
Sperry Rand Corp	USAF Resident Auditor, Sperry Gyroscope Co., Mail Station 1-H-28, Great Neck, L.I., N.Y. Tel: LR 4-2327.	AFPR, Sperry Gyroscope Co., Great Neck, N.Y.
Sylvania Electric Products, Inc.	Branch Chief, USAF Auditor General Branch Office, Boston Army Base, Boston 10, Mass. Tel: Liberty 2-6000, Ext. 879.	Boston APD.
Thiokol Chemical Corp	Auditor-in-Charge, Thiokol Chemical Corp., Navy Area Audit Office, Philadelphia, 1409 North Broad St., Philadelphia 22, Pa. Tel: Locust 8-0400.	Philadelphia APD.
Thompson Ramo - Wooldridge Inc.	USAF Resident Auditor, Thompson Ramo-Wooldridge, Inc., 23555 Euclid Ave., Cleveland 17, Ohio. Tel: IV 1-7500, Ext. 8767.	Cleveland APD.
United Aircraft Corp	Chief Auditor, Navy Audit Office, United Aircraft Corp., Pratt & Whitney Aircraft Division, East Hartford, Conn. Tel: Jackson 8-4311.	Boston APD.
Westinghouse Electric Corp	Chief Auditor, Navy Audit Office, 301 Old Post Office Bldg., Pittsburgh 19, Pa. Tel: Express 1-2560.	Philadelphia APD.

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314)

Subpart B—Secondary Administration

A new Subpart B is added as follows:

Sec.

AUTHORITY: §§ 1054.200 to 1054.207 issued under sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314.

§ 1054.200 Scope of subpart.

This subpart sets forth procedures to be followed in the delegation and performance of secondary administration on both primes and subcontracts.

§ 1054.201 Applicability of subpart.

This subpart applies to all personnel of AF commands concerned with the administration and management of AF central procurement type contracts. (See § 1001.201–55 of this chapter.)

§ 1054.202 Definitions.

(a) *Secondary administration.* (See § 1053.404–2(g) of this chapter.)

(b) *Secondary administration of a prime contract.* The administration of a portion of a prime contract being performed at a location in a geographical area or plant not under jurisdiction of the office of administration (APD/AFPRO).

(c) *Secondary administration of a subcontract.* The utilization of the AF system of contract management (APD/AFPRO) in surveillance of the performance of certain subcontracts.

(d) *Subcontract.* The term subcontract includes purchase order and/or work order.

§ 1054.203 Assigning secondary administration.

(a) In the administration of an AF prime contract, it may become necessary for the office having primary administration to delegate various responsibilities to an office other than that assigned as the office of administration. This may be occasioned by either the diversity of work locations utilized by the prime contractor including intra-company transactions (work) orders etc., or because the size and type of subcontracts placed require a greater degree of surveillance over work being performed at subcontractor's plants.

(b) Delegations are normally made in connection with cost reimbursement, price redeterminable, and incentive type prime contracts and subcontracts and may include: (1) All or part of an administrative contracting officer's responsibilities, (2) production surveillance, (3) quality control supervision and surveillance, (4) industrial property control, (5) price analysis, (6) security and other functions. Although secondary delegations of ACO functions should not be made relative to straight fixed price prime contracts and subcontracts except under extenuating circumstances, from a production, property administration, and quality control viewpoint, secondary administration may be just as desirable and necessary on fixed price contracts and subcontracts as on cost type. (Also, appropriate secondary administration on fixed price contracts contemplating construction work subject to the Davis-Bacon Act where work is to be performed outside the geographical area covered by the office of primary administration, should be delegated.)

§ 1054.204 General procedures for office of administration.

(a) When making secondary delegations, the office of administration should stress the following actions in order to enable offices of secondary administration to properly carry out their delegated functions. Before forwarding a request for secondary administration the initiator will:

(1) Consult all components of his activity and incorporate all desired actions of contract administration, production, industrial property and quality control into one request.

(2) Complete all administrative approvals or duties which are necessary prior to assigning secondary administration. These duties should include, but are not limited to (i) Review of contractual provisions, (ii) determination of contractor's plan as to extent of support functions such as purchasing, etc., that will be performed at the secondary activity.

(3) Make sure that no authority or responsibility is delegated unless authority to perform the same is contained either in the terms of the contract or applicable Public Laws, Executive Orders, instructions, or regulations.

(4) Be specific in the delegation as to the actions desired of secondary activity. The delegation letter should state the exact type and extent of assistance needed in each area of responsibility.

(5) Process request for secondary administration in an expeditious manner so that delegated functions may be performed on a timely basis without delay of contract performance and incurrence of unnecessary costs.

(6) Forward with the request, adequate documentation to accomplish the functions delegated or redelegated. This will include sufficient copies of the contractual documents and subsequent changes thereto, together with approved contractor policies and procedures, pertaining to the prime contract and other data that would be applicable to actions required of the office of secondary administration. Where appropriate primary ACOs may request the office of distribution for the prime contract to make direct distribution to the assigned office of secondary administration. Where applicable, documentation should include copy of inter-company transactions or work order in order that the work to be performed can be identified. Delegations to affected activities will not be delayed due to absence of documents when urgency and/or other extenuating circumstances indicate that work may commence prior to their receipt. Delegations will be issued as early as possible in order to give the secondary activity the necessary lead time for planning purposes.

(7) Assure that offices assigned secondary administration are not requested to accomplish functions that duplicate and/or are properly the responsibility of the prime contractor.

(8) Notify the prime contractor or higher tier subcontractor immediately, of duties which have been delegated to a secondary office of administration, and request prime or higher tier subcontractor to notify the subcontractor that secondary administration of its subcontract has been assigned to APD or AFPRO.

(9) Take action to establish communication with the secondary activity and maintain the necessary contacts to insure proper coordination. The office of administration should keep secondary offices currently informed on major actions through periodic correspondence and personal visits so that secondary personnel can understand how they fit into the program.

(b) The letter of delegation consolidating the responsibilities to be performed will be prepared for signature of the chief, APD/AFPR or his deputy. Each division will submit its delegation by an attached exhibit.

(c) Under the Weapon Support System Management Plan the ACO located at prime contractors' plants will delegate appropriate secondary administration of cost reimbursement, redeterminable, and incentive type subcontracts to the APD/AFPRO assigned administration of AF contracts at the subcontractors' facilities.

§ 1054.205 General procedures for secondary offices of administration.

(a) The office of secondary administration will upon receipt of a delegation:

(1) Promptly assign an ACO and other specialists to perform the functions delegated.

(2) Notify the prime administrative contracting officer of the name, address, and telephone number of the ACO assigned secondary administration and of individuals assigned responsibilities other than contract administration. If the delegation is for secondary administration of a subcontract, a copy of the notification forwarded to the prime ACO will also be forwarded to the subcontractor concerned. The primary ACO will promptly notify other divisions who have delegated cognizant responsibilities in regard to same contract.

(3) Administer secondary assignments with the same degree of care and attention that would be given to prime assignments.

(4) Take aggressive action to correct any delegation which is not complete or requires clarification. If the secondary activity cannot satisfactorily resolve the matter, then it should be referred through channels to AFSC (ASXKK), Wright-Patterson AFB, Ohio.

§ 1054.206 Functions which can be delegated.

(a) *Prime contracts*—(1) *Contract administration functions.* The prime ACO may delegate any of the functions listed in § 1054.104 which are applicable to the work being performed at the secondary location. In the performance of delegated functions the assigned secondary ACO will govern his actions by: (i) The provisions of the delegation letter, (ii) the terms of the contract, (iii) the provisions of Subchapter A, Chapter I of this title, this chapter, and other directives pertaining to prime contract administration. The secondary ACO will keep the prime ACO advised of major actions by furnishing him copies of correspondence, memoranda, etc. In the event disputes are contemplated, the advice of the prime ACO will be obtained. Unless the letter of secondary delegation specifically provides otherwise, all matters in dispute will be referred to the primary ACO with all facts and recommendations for final decision.

(2) *Property administration functions.* Property administration of prime contracts at secondary locations by separate property administrators is no different than property administration of prime contracts at prime plants. However, in the case of interdivisional work orders it will be necessary to follow contractor's organizational structure and to assure proper coordination with the ACO and property administrator at prime location on broad company policies and procedures. The secondary property administrator has the same total responsibility and authority, relative to Government property on that portion of the contract being performed at the secondary location, which is afforded the property administrator at the prime facility and is subject to official audit inspection, etc. (See § 30.2, paragraph 304 of this title and § 1030.2, paragraph B–304 of this chapter.)

(3) *Production functions.* In order to maintain current production progress on AF contracts, production surveillance should be delegated over that portion of the contract being performed at the secondary location to assure proper adherence to contract schedules. The assignment will request that production surveillance be performed according to AFLCM 84–2 and include such reports and other actions that may be required by the contract, Subchapter A, Chapter 1 of this title, this chapter, and other directives.

(4) *Quality control functions.* Performance of operational quality control functions should be delegated to a secondary office of administration wherever applicable, to assure that contractor is maintaining a system and procedures for control of quality at secondary locations in conformance with Military Specification MIL–Q–9858 or requirements. (Reference Part 14 of this title, and Part 1014 of this chapter.)

(5) *Plant clearance functions.* Continuing plant clearance authority should be included at the time any secondary contract administration is delegated to enable the secondary office of administration to take and approve all necessary and appropriate actions to effect disposition of all surplus property. This should be done by authorizing the secondary ACO to delegate required plant clearance actions to an appropriate plant clearance officer and to take such other actions as are required in plant clearance matters, except those which arise out of terminations.

(6) *Termination functions.* Where a previous delegation of secondary administrative responsibilities has been accomplished, the primary ACO will immediately notify the secondary ACO and such other activities to whom responsibilities have been delegated of the termination. This notice in and of itself

will not constitute an assignment of such responsibilities.

(b) *Subcontracts.* With respect to subcontracts, secondary functions should be primarily in the area of surveillance and will include such approval functions as may have been delegated or authorized by contractual provisions. The prime contractor should be required to manage his subcontract program. However, administration of a surveillance and advisory nature should be conducted as far down the subcontract chain as considered necessary to adequately protect the interests of the Government.

(1) *Pricing functions.* The basic responsibility for subcontract pricing rests with the prime contractor. The prime ACO must insure that the prime is performing this management obligation effectively. He should instruct the contractor that complete justification of subcontract awards is required with particular attention given, where appropriate, to cost and price analysis, and the currency, completeness, and correctness of cost and pricing data obtained from subcontractors (see § 3.903–4 of this title and § 1003.903–4 of this chapter for discussion of ACO reviews of individual subcontracts).

(i) In instances where a prime contractor demonstrates, based on the submission of a completely documented subcontract file, that it has effected a sound procurement and complied with all applicable requirements of Subpart I, Part 9 of this title and Subpart I, Part 1009 of this chapter, the prime ACO should consent to the subcontract without requesting duplicate analyses from a secondary ACO. This approach also should be followed by secondary ACOs when they have been delegated the responsibility for approving the award of lower-tier subcontracts falling into certain categories.

(ii) Where a contractor advises its cognizant ACO that a subcontractor has refused, for competitive reasons, to provide or give access to cost data essential for negotiation purposes, and that all possible steps, including top management participation, have been taken to secure such information from the subcontractor, the ACO will request an assist analysis from the appropriate secondary ACO. If the subcontractor's proposal exceeds $350,000, inclusion of a request for audit assistance is mandatory; however, requests for audit assistance also may be included where the subcontract proposal is less than $350,000 if such assistance is considered desirable. The request will be coordinated with, and an information copy furnished to, the audit activity located at or responsible for audit of the contractor's facility. Other instances where it is normally advantageous to request AF personnel to perform necessary subcontract evaluations and audits are set forth in § 1003.903–55 of this chapter.

(iii) If a request for assist analysis prepared according to subdivision (ii) of this subparagraph includes a request for audit review, the APD/AFPRO having secondary administration responsibilities will, upon receipt, hold a preanalysis review with the cognizant military auditor. This meeting may be as formal or informal as desired. The procurement situation and the request for assistance will be discussed and a mutually agreeable approach to analysis determined. If, during preanalysis review, it is agreed that pertinent information requested has been furnished in prior unclassified analysis and audit reports, that this information is still valid, and that neither the APD/AFPRO nor the auditor can contribute any other significant information, the APD/AFPRO representative will advise the requesting ACO accordingly. In such cases, he will advise that a preanalysis review was held with the auditor, will reference the earlier reports and, where the earlier reports were prepared for activities other than the requesting APD/AFPRO, will attach information copies.

(2) *Contract administration functions.* Because there is no contractual agreement in existence between the Air Force and the subcontractor, actions that can be delegated to a secondary ACO are limited. No authority exists by which the secondary ACO can direct the subcontractor to take any action or by which he can make any unilateral determination concerning subcontract operations. Both primary and secondary ACOs must recognize these limitations and regulate their actions accordingly.

(i) Many ACOs assigned secondary administration of cost type subcontracts also have AF cost type prime contracts placed with the same contractor. The ACO, in his surveillance of the cost type subcontract, should assure that principles, systems, and procedures approved for the cost type prime contracts are being followed on the subcontract as well. In the case of contractors having no cost type prime contracts, surveillance of cost type subcontracts should be accomplished through frequent contacts by the secondary ACO and his supporting staff and, where appropriate, through utilization of the cognizant military auditor.

(ii) In any instance where the secondary ACO in his surveillance of a subcontractor's operations finds systems and procedures, etc., generating excess costs, an effort will be made to obtain corrective action by the subcontractor. If the subcontractor does not voluntarily take corrective action, the secondary ACO will promptly notify the prime ACO of all the facts together with his recommendations toward resolving the matter. The prime ACO would then require the prime contractor to take corrective action.

(iii) In the case of classified contracts, secondary ACOs delegated security matters will insure compliance by lower tier subcontractors with security directives pertaining to the contract and its performance.

(3) *Property administration functions.* The separate property administrator assigned a subcontract has the same authority and responsibility with respect to the subcontract as a property administrator assigned a prime contract. Normally, major subcontractors have adequate Government approved property control systems that govern other contracts already assigned property administrators. These control systems will be accepted as adequate to protect the Government's interest if they meet minimum requirements of §§ 30.2 or 30.3 of this title, as applicable. Coordination with prime contractor in this area is necessary. Since there is no contract in existence between the Air Force and the subcontractor, the separate property administrator must be cautious and assure that at no time is action taken which would in any way make the Air Force a party to the subcontract or usurp the responsibilities of the prime contractor. See paragraphs B–304, § 1030.2 or paragraph C–301(a), § 1030.3 of this chapter.

(4) *Production functions.* A secondary delegation for production surveillance on subcontracts should only be made if the nature of the product and urgency is such that Air Force attention is needed. The secondary production assignment should be precise and set forth exactly what is desired in order to be effective and avoid duplication of effort. The prime contractor is basically responsible for production surveillance and usually is furnished ample reports by the subcontractor in order to be able to anticipate difficulties and take corrective action. In delegating production surveillance on a subcontract, the secondary delegation will require the assigned production specialist to perform only such surveillance that will supplement the prime contractor's production surveillance program. Separate reporting requirements will not be imposed upon the secondary production specialist though he can be requested to verify such reports as are rendered to the prime contractor by the subcontractor.

NOTE: If no production reporting is required of the subcontractor by the prime contractor, the AFPRO at the prime contractor's plant will be so notified by the secondary production specialist.

(5) *Quality control functions.* Procedures for delegation and performance of quality control functions on subcontracts are set forth in Part 14 of this title and Part 1014 of this chapter, AFLCM 74–1, and AFLC regulations in the 74 series.

(6) *Termination functions.* The initial assignment of secondary responsibility under a subcontract will not contain a delegation of termination responsibilities; if deemed appropriate, at time of termination, the primary ACO (TCO) may assign such responsibilities under § 1008.208–4(f) of this chapter.

§ 1054.207 Intra-company transactions.

Company inter-plant relationships vary within a contractor's organization complex and from contractor to contractor. In some contractor organizations there may be found a strict uniformity throughout all of their plants and divisions, in others there are varying degrees of uniformity. Where the procedures are the same, ACO approvals made at the prime plant level can be used for all divisions. In the plants where there is a dissimilarity in operations it is difficult to arrive at firm, precise procedures that can be applied to

inter-divisional work. Consequently, the ACO at the prime contractor's plant must assure that procedures are established within the contractor's purchasing policies and procedures wherein he will be notified promptly of inter-divisional work orders that will transfer a substantial portion of the work to be performed to another location. The notification will be accompanied by copies of the work order or other document which assigns the work to another plant or division. These documents should contain a clear and definite statement of work assigned, including specifications where applicable, estimated or actual costs, delivery dates and any other pertinent information necessary to enable primary ACO to determine whether or not secondary administration is required and to what extent.

Subpart G—Contract Change Releases

Revise § 1054.703 to read as follows:

§ 1054.703 Use of Contract Change Releases.

(a) Types of inaccuracies that may be corrected by CCRs are:

(1) Incorrect or missing part or stock number on a complete article or spare part item.

(2) Error in transcribing a stock or part number on an item; that is, transposition of digits, omission of digits, improper decimals or prefixes.

(3) Improper nomenclature of an item.

(4) Subdivision of an existing item number. If subdivision of an existing item number necessitates subdivision of a delivery schedule and the ACO is unable to adjust the delivery schedule accordingly, the inaccuracy will be referred back to the buying and requirements activities for correction.

(b) CCRs will not be issued to authorize:

(1) Changes in design or fabrication methods.

(2) Contract corrections, the execution of which would result in price changes or changes in delivery schedules or time of performance of the contract involved (except as set forth in paragraph (a)(4) of this section).

(3) Shifting of articles from one contract item number to another.

(4) Assignment of a new contract item number.

(5) Increases or decreases in quantities.

(6) Correction of inaccuracies in quantities.

(7) Changes to approved spare parts exhibits which have not been formally executed by supplemental agreements.

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314)

Subpart I—Wage and Salary Acceptance

§ 1054.911 [Deletion]

Delete § 1054.911.

Subpart J—Notice of Transfer of Procurement Responsibility for an Existing Contract

Subpart J is revised to read as follows:

Sec.
1054.1000 Scope of subpart.
1054.1001 Applicability of subpart.
1054.1002 General.
1054.1003 Correction of records.

AUTHORITY: §§ 1054.1000 to 1054.1003 issued under sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314.

§ 1054.1000 Scope of subpart.

This subpart prescribes procedures to be followed when the procurement responsibility on an existing contract transfers between: (a) AFLC AMAs/depots, (b) AFSC and AFLC activities, (c) AFSC activities, (d) AFSC/AFLC and other AF major commands, or (e) buying offices or individual buyers within the same buying activity.

§ 1054.1001 Applicability of subpart.

This subpart applies to central procurement activities within AFLC and AFSC.

§ 1054.1002 General.

When circumstances necessitate a transferral of the procurement responsibility for a contract, the activity from which the contract is being transferred will:

(a) Applicable to § 1054.1000 (a) through (d):

(1) Issue and distribute an administrative notice, designating the activity and its address to which the procurement responsibility is being transferred.

(2) Include in the notice, when appropriate:

(i) Change in transportation officer.

(ii) Change in allotment serial number and funding station number.

(3) Make distribution to all distributees of the contract.

(4) Assure that a copy of the notice is incorporated in the master contract file record and in the individual buyer file before they are transferred to the new procurement activity.

(b) Applicable to § 1054.1000(e);

(1) Send a letter of notification in triplicate to the AFCMD or AFPRO administering the contract, citing the applicable contract number and contractor's name, and state the buyer's name and organizational symbol assuming the procurement responsibility for the contract.

(2) Furnish a copy of the letter to the master contract record file and to the contract distribution activity.

(3) The ACO will forward a copy of the letter to the contractor and to the disbursing officer.

§ 1054.1003 Correction of records.

Recipients of the administrative notice set forth in § 1054.1002(a) and of the letter set forth in § 1054.1002(b) will correct their records accordingly.

Subpart O—Preparation and Issuance of Shipping Instructions

Subpart O is revised to read as follows:

Sec.
1054.1500 Scope of subpart.
1054.1501 Applicability of subpart.
1054.1502 Application.
1054.1503 Responsibilities.
1054.1504 Shipping instruction activities.
1054.1505 Contract administrative activities.
1054.1506 Initiators of AFPI Form 44.

AUTHORITY: §§ 1054.1500 to 1054.1506 issued under sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314.

§ 1054.1500 Scope of subpart.

This subpart sets forth procedures for preparing and issuing shipping instructions and amended shipping instructions.

§ 1054.1501 Applicability of subpart.

This subpart sets forth procedures for preparing and issuing shipping instructions and amended shipping instructions.

§ 1054.1502 Application.

(a) This subpart applies to movements of material and equipment, on contracts, from contractors' facilities to specified destinations, and pertains to:

(1) Contracts or purchase orders specifying shipping instructions to be issued later.

(2) Contracts or purchase orders containing no reference to shipping instructions and their issuance.

(3) Change of existing shipping instructions.

(4) Call or open contracts.

(5) Original and amended shipping instructions on AF procurement for the Navy, moving on AF bills of lading and not falling within the provisions of paragraph (b)(1) of this section.

(6) In cases of emergency only, items on letter contracts and notices of award and the methods of packaging thereof.

(7) Procedures relative to change of packaging occasioned by shipping instructions, and to release of Government routings or amended routings when supplies are procured f.o.b. carrier's equipment.

(b) The following are exceptions to the provisions of this subpart:

(1) AF contracts that include the following provisions and are written solely to procure material for the Navy.

(i) Original shipping instructions, if not contained in this contract, and amendments to existing shipping instructions for material on this contract may be issued direct to contractor by (unit symbol) of applicable Navy bureau and/or Navy office).

(ii) The contractor will request Government Bills of Lading and Routings (where contract provides for shipment f.o.b. carrier's equipment) from the transportation activity shown in contract schedule. Contractor will attach a copy of communications from (applicable Navy bureau or office) to AFLC Form

316, "Application for Government Bill of Lading."

(2) Shipping instructions for base procurement, as defined in § 1001.201–54 of this chapter.

(3) Shipping instructions for complete aircraft, missiles and target drones (excluding guided aircraft rockets) in Federal Supply Class 1410, 1510, 1520, and 1550, as listed in Appendix 9, AFLCR 23–1, will be issued by the Aircraft and Missiles Branch (MCSDD), Directorate of Supply, Hq AFLC, direct to AF plant representative office.

(4) Movement of all Government property (USAF) other than that material or equipment which is provided first movement transportation or the movement of material and equipment from plants of overhaul contractors to various destinations under the provisions of paragraph (a) of this section.

§ 1054.1503 Responsibilities.

(a) *Contracts executed at AFSC Aeronautical Systems Division.* (1) Contracting officers of Shipping Instructions Section (ASWGDE), will issue original and amended shipping instructions for GFAE end items and all other shipping instructions with the exception of those referred to in subparagraph (2) of this paragraph and paragraph (d) of this section.

(2) Designated contracting officers of the Inventory Manager (end article) will accomplish the following for property for which Directorate of Materiel Management has distribution and storage responsibilities:

(i) Issue original consolidated shipping instructions for items provisioned on exhibits and amendments under airframe and missile contracts.

(ii) Issue original and amended shipping instructions for all items provisioned under contracts for GFAE, except amended shipping instructions on contracts with aeronautical equipment manufacturers listed under paragraph (d) of this section.

(iii) When specifically directed by ASWGDE, issue original and amended shipping instructions on other AFSCASD executed contracts.

(3) Designated contracting officers of inventory management will issue amended shipping instructions for their respective supply classes, provisioned under airframe and missile contracts with the exception of those referred to in paragraph (d) of this section.

(b) *Contracts executed at AMAs or depots.* Designated contracting officers will issue original and amended shipping instructions (except amended shipping instructions referred to in paragraph (d) of this section) on: (1) Contracts executed at prime AMAs and depots, (2) contracts assigned for complete buying responsibility, and (3) other AFSCASD executed contracts as specifically directed by ASWGDE.

(c) *Contracts executed by AFSCBSD and AFSCESD.* (1) For property for which the Directorate of Material Management, AFLC AMA/Depot and 2709th AFVCG has distribution and storage responsibility:

(i) Designated contracting officers of the Inventory Manager (end article) will issue original consolidated shipping instructions.

(ii) Designated contracting officers of the Inventory Manager will issue amended shipping instructions, except those referred to under paragraph (d) of this section.

(iii) Contracting officers designated by BSD–ESD will issue original and/or amended shipping instructions for all other property procured on these contracts.

(d) *Administrative contracting officers of certain AFPROs.* Administrative contracting officers of the following listed AFPROs are authorized to: (1) Issue amended shipping instructions upon receipt of AFPI Form 44, "Request for Issuance of Shipping Instructions," from inventory manager on other aircraft-missile contracts, depot executed contracts, and/or contracts assigned for complete buying and/or shipping instructions responsibility, (2) make whatever changes are deemed necessary in the AFPI Form 44 before issuing the shipping instructions, and (3) notify requester of changes made.

Lockheed Aircraft Corp., Burbank, Calif.
North American Aviation, Inc., Los Angeles, Calif.
Douglas Aircraft Co., Inc., Santa Monica, Calif.
NORAIR Division, Northrop Corp., Hawthorne, Calif.
Convair Division, General Dynamics Corp., San Diego, Calif.
Convair Division, General Dynamics Corp., Fort Worth, Tex.
Republic Aviation Corp., Farmingdale, L.I., N.Y.
Boeing Company, Wichita, Kans.
Boeing Company, Seattle, Wash.
Allison Division, General Motors Corp., Indianapolis, Ind.
General Electric Co., Lockland Branch, Cincinnati, Ohio.
Hughes Aircraft Co., Culver City, Calif.

§ 1054.1504 Shipping instruction activities.

(a) Shipping instructions may be issued by teletypes, telegrams, letters, and telephone calls by authorized personnel according to § 1054.1503. Shipping instructions furnished by means of telephone calls will be treated as formal instructions prior to receipt of written information. Contracting officers who are responsible for issuing shipping instructions will expedite written confirmation.

(b) Contracting officers responsible for issuing shipping instructions will issue Government routings or amended routings to contractors for supplies procured f.o.b. carrier's equipment at the request of cognizant transportation officer.

(c) Amended shipping instructions against open or call contracts will quote applicable production list or call number.

(d) Cancellation of items, reduction of quantities, or a substitution of items listed on calls may not be made pursuant to this subpart.

(e) Minimum information to be included in shipping instructions:

(1) Date and serial number.

(2) Prime contractor's name and address.

(3) Complete contract number including purchasing activity code, and (if applicable), number of supplemental agreement, change order, contract change notification, amendment, exhibit, call, or production list.

(4) Federal Supply Class and identity of affected items.

(5) Complete destination, including accountability.

(6) Deduction point (if applicable).

(7) Markings for packages.

(8) Type of packing and packaging.

(9) Distribution of shipping instructions.

(10) Signature of contracting officer.

(11) Distribution of DD Form 250 to monitoring activities (if applicable).

(f) Requirement schedules for material at destination, or order of shipment desired may be incorporated in the shipping instructions, or may be forwarded by wire or letter, without clearing through the contracting officer issuing shipping instructions. If incorporated in the shipping instruction, they may be changed by the component responsible for property distribution without issuance of amended shipping instructions when the total quantity for shipment to specific destinations remains as specified in the shipping instructions. Nothing contained herein authorizes the modification of contract delivery schedules through administrative action.

(g) (1) Changes in packaging will be incorporated into shipping instructions by: (i) Transferring the pertinent packaging data to an MCP 71–163 (reproducible master) and indicating in the shipping instructions that packing and packaging will be according to attached MCP 71–163 or (ii) including the pertinent detail onto the shipping instructions master, appropriately identified as "Packing" and "Packaging." When MCP 71–163 (reproducible master) is used, all copies of shipping instructions distributed will have attached the appropriate packing and packaging instructions.

(2) The opinion stated by the packaging control officer as to increase and/or decrease in packaging costs of the contract will be suitably annotated on copies of the shipping instructions which are routed to the administrative contracting officer and on the record copy.

(h) Copies of shipping instructions will be distributed according to requirements of activities and will include copies for office of contract administration; three copies for initiator; one copy for the monitoring activity; one copy for consignee of the shipment, unless consignee is an MAP recipient country. When amended shipping instructions are issued on a contract which provides for acceptance at destination, internal procedures will be established between the issuing office and the applicable contract distribution office to insure that the consignee specified in the shipping instructions (except when consignee is another contractor) is furnished a copy of the applicable contract and appropriate changes. A copy of shipping instructions making packaging changes, and of all amended shipping instructions

on f.o.b. destinations deliveries will be routed to the cognizant administrative contracting officer by separate distribution from that of other copies forwarded to administrative activities.

§ 1054.1505 Contract administrative activities.

Contract administrative activities will:

(a) Cause release of shipments from contractors' plants according to existing shipping instructions, including shipping instructions furnished by telephone. When applicable, the order of assigned priority will be followed and shipments within the same triangle priority will be determined by date of the instruction.

(b) If not otherwise specified, disposition of odd quantities of items, resulting from percentage shipping instructions, including those in contracts will be to the inventory manager.

(c) Obtain from the contractor a proposal for contract price adjustment for changed packaging requirements, or, in the case of f.o.b. destination procurements, for changed destinations resulting from amended shipping instructions, ACOs will review all amended shipping instructions on a periodic, consolidated basis (at least once a year or whenever the net adjustment resulting from packaging or destination charges exceeds $5,000) and at the completion of contract. Except where the ACO has pricing responsibility according to § 1001.-457(a)(12) and Subpart D, Part 1055 of this chapter, the ACO will forward the proposal for price change with his recommendation to the procuring contracting officer for contract amendment. The ACO will not delay shipment according to the revised shipping instructions pending completion and formalization of negotiations.

§ 1054.1506 Initiators of AFPI Form 44.

(a) When original or amended shipping instructions are required to be issued, initiators of procurement or activities responsible for property distribution will carefully prepare AFPI Form 44, "Request for Issuance of Shipping Instructions," in duplicate and direct it as necessary to comply with § 1054.1503. Where urgency requires, shipping instructions may be requested by telephone or electrically transmitted messages. If requested by telephone, a confirming AFPI Form 44 will be forwarded to the shipping instruction activity within 24 hours. Electrically transmitted requests will state "Request Shipping Instructions" or "Amended Shipping Instructions" and be arranged in paragraph form, each paragraph prefixed by the same number as the equivalent block on AFPI Form 44.

(b) Transportation officers will accomplish AFLC Form 354A, "Transportation Instructions," as an attachment to AFPI Form 44, specifying the number of items, or the extent to which the routings apply, when requesting issuance of Government Routing Instructions.

(c) All AFPI Forms 44 initiated for providing destination or change of destination for supplies procured f.o.b. carrier's equipment will be routed through the cognizant transportation officer for attachment of AFLC Form 354A covering the items for which shipping instructions are being requested.

(d) If packaging required by the contract must be revised when requesting shipping instructions, the AFPI Form 44 must be routed to the cognizant packaging control officer for inclusion of revised packaging instructions. AFLC Form 163, "Preservation, Packaging, and Packing Requirements," may be used for this purpose, or the packaging control officer may indicate on AFPI Form 44 the pertinent packaging data by rubber stamp with appropriate information checked as described in AFLCM-71-1. The packaging control officer will state on AFPI Form 44, by stamp or otherwise, whether packaging costs included in the contract price will be changed by the revised packaging instructions.

(e) When distribution is controlled by Directorate of Materiel Management, AMA/Depot, each AFPI Form 44, initiated to request amended shipping instructions, will:

(1) Include applicable supply priority except AFPI Forms 44 covering instructions for:

(i) Direct shipments to storage sites.

(ii) Shipments to be made in order of priority listed.

(iii) Shipments to be made following the completion of shipping instructions on hand which carry a priority rating, 1 through _____ priority.

(2) Be limited to: (i) Requirements bearing triangle priorities 1, 2, 3, 6, 7, 8, and on which the contract authorizes or requires delivery within 45 days after release of shipping instructions, (ii) items which because of bulk or weight can be more economically shipped to final destination, or (iii) changes in destination brought about through transfer of storage and distribution responsibility.

(f) When copies of DD Form 250 are required by monitoring activities assigned to special projects (other than prime inventory management), the activity will be identified as a monitoring activity (insert complete address) and a requirement stated on AFPI Form 44 for mailing of desired number of copies of DD Form 250.

(g) AFPI Forms 44 which refer to a previous request for shipping instructions will state the shipping instruction number (where known), the reference number of the previous request.

Subpart R—Renegotiation Board Inquiries

1. Revise § 1054.1802 to read as follows:

§ 1054.1802 Responsibility and procedures.

(a) The Renegotiation Board will secure procurement and contract information directly from the source of information, i.e., AFSC and AFLC field procurement activities, AFCMDs, AFPROs, and from the headquarters of other major commands. The Board may, if it deems necessary, contact the appropriate contract management region having surveillance of the AFCMDs, AFPROs, TSOs, or Hq AFSC (ASXKKC), Wright-Patterson AFB, Ohio, for information.

(b) The Commanders of AFSC and AFLC field procurement activities, chiefs of AFCMDs and AFPROs, commanders of contract management regions and major commands will designate an individual to monitor requests from the Renegotiation Board. The individual's name and office identification will be furnished to Hq AFSC (ASXKKC). The monitor will insure receipt of adequate information by the Renegotiation Board. The checklists of questions set forth in § 1054.1804 will be used as guides in furnishing information to the Board.

§ 1054.1804 [Amendment]

2. In § 1054.1804(a), Section IA, change the word "precisions" to "precision", and in Section IIIB, change the word "as" to "at."

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314)

Subpart U—Work Request Procedures for Over and Above Work on Maintenance, Overhaul and Modification Contracts

Subpart U is revised to read as follows:

Sec.
1054.2100 Scope of subpart.
1054.2101 Applicability of subpart.
1054.2102 Definition.
1054.2103 Use of work requests.
1054.2104 Processing of work requests.

AUTHORITY: §§ 1054.2100 to 1054.2104 issued under sec. 8012, 70A Stat. 488: 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314.

§ 1054.2100 Scope of subpart.

This subpart concerns responsibilities and procedures for processing and approval of: (a) Work requests; inseverable and (b) work requests; severable, issued pursuant to the Work Request clause (see § 1007.4065 of this chapter).

§ 1054.2101 Applicability of subpart.

This subpart applies to contract management regions, AMC field procurement activities, and air materiel forces.

§ 1054.2102 Definition.

(a) *Work request; inseverable.* An order for supplies or services so inseverable from the basic end item of work that failure to perform by the contractor would preclude performance of the basic work contemplated by the contract. For procedural reasons, the inseverable items of work require the issuance of work requests by the administrative contracting officer prior to performance by the contractor, even though the contract provides that the contractor is obligated to furnish the items and the Government obligated to order such item, if the requirement arises. Obligations for these items are recorded at the time the basic contract is definitized. The work request—inseverable is merely an administrative action by the contracting officer identifying and pricing the work to be performed. Example: Authorization to provide parts required to overhaul the basic end item when the Government is unable to furnish same as GFP.

(b) *Work request—severable.* An order for supplies or services, the nature of which could not be determined at the inception of the contract, and wherein failure to furnish the supplies or perform these services would not preclude the contractor from performing the basic contract task. Obligations will be recorded at the time of issuing work requests—severable.

§ 1054.2103 Use of work requests.

(a) *Work request; inseverable.* This type of work request will be used to cover only indefinite quantity items which meet all of the following conditions: (1) Are so inseverable from the basic end item that failure to perform the indefinite quantity item would preclude performance of the basic work contemplated by the contract, (2) the contract provides that the contractor is obligated to furnish the indefinite quantity item and the Government obligated to order such item, if the requirement arises, (3) the estimated cost of the indefinite quantity item is a bona fide estimate with factual support based on experience, and (4) the indefinite quantity item relates to an end item that is definite in quantity.

(b) *Work request; severable.* This work request procedure is properly applicable only to items of work, over and above that work which is required to fulfill the basic purpose of the contract, and for which the Government has no obligation to place an order. This procedure will not be used to effect new procurement that should be the subject of a separate contract. Work requests—severable will not be used as a substitute for or in lieu of issuing supplemental agreements, CCNs, calls, or other contractual documents.

(c) Unless otherwise provided in the contracts, the administrative contracting officer (ACO) is the only individual authorized to issue a work request, however, the ACO is not authorized to issue a work request unless:

(1) The contract contains work request clause which permits issuance of work requests.

(2) There has been a complete review of the necessity for the work request and it has been determined that such work is necessary and was contemplated by the contract.

(3) A final price has been negotiated between the contractor and ACO, except where the contract authorizes commencement of the work prior to arrival at firm prices.

(4) Sufficient and proper funds are determined to be available.

§ 1054.2104 Processing of work requests.

(a) Work requests will be in writing, serially numbered, dated, and bear the number and description of aircraft, engines, components, etc., affected. Work requests will also indicate unit and total prices to be paid (except when issued according to § 1054.2103(c)(3)) and period of performance. Separate work requests will be issued for severable and inseverable items of work. In addition, work requests; severable will contain correct citation of funds from which payment will be made. The ACO will maintain files containing all work requests issued, as well as supporting data showing coordination of interested offices and contractor's acceptance.

(b) The work request—severable will be used as an obligating document.

(c) The ACO should develop internal procedures that will indicate that the factors listed below and other appropriate factors have been considered at the time of issuance of the work request:

(1) The quantity to be reworked is required.

(2) The delivery schedule is realistic and the effective point has been ascertained.

(3) Man-hours and material required are fair and reasonable.

(4) Necessary specifications or technical directives are available.

(5) Whether all GFP received for repair has been listed on the work request.

(6) Whether reparables received are being placed on work requests.

(7) Whether all GFP listed on the work request is physically on hand and input from an appropriate source.

(8) Fairness and reasonableness of the unit and total price. The above items, to be considered when reviewing work requests, are a guide only, and the ACO will conduct his review to the extent and in such a manner as to assure that the work request to be issued, is in the best interests of the Government and contractually covered.

(d) Work requests will be distributed according to § 1053.606 of this chapter.

Subpart CC—Processing of Claims Under Cost-Reimbursement Type Contracts

§ 1054.2911 [Amendment]

In § 1054.2911, the heading is amended to read "Completion voucher or completion invoice," and in line 7 the word "shall" is changed to "will."

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314)

Subpart DD—Administration of Base Procurement Contracts

1. In § 1054.3004(a), revise subparagraph (1)(iii) as follows; and in subparagraph (2)(ii)(*b*) change the reference to read: "§ 1016.303–51."

§ 1054.3004 Contract administration procedures.

(a) * * *

(1) * * *

(iii) When a review of a contract file fails to indicate evidence of shipment (f.o.b. origin) or delivery (f.o.b. destination) by the suspense date, the receiving component will be contacted by telephone and if they verify nonreceipt of the material: (*a*) File will be identified as a delinquent file; and (*b*) the contractor will be promptly notified of delinquent delivery. An f.o.b. origin file containing a notice, indicating shipment will be made after the scheduled delivery date, will also be identified as a delinquent file. This notification may be accomplished by AFPI Form 92, "Notice of Contract Delinquency," individually typed letter, or orally. Reproduced form letters will not be used for this notification. A copy of the written notification or, in cases of oral notification, a written memorandum of the conversation will be placed in the contract file. Whether notification is written or oral, care must be exercised to clearly indicate to the contractor that this notification is merely for the purpose of ascertaining the reason for the delinquency so that the Government can determine the appropriate action to be taken and in no way is intended to waive any of the rights or remedies which the Government may have by law or under the contract; and, (*c*) file will be resuspended for further action not more than 10 days when initial inquiry is made by telephone and not more than 10 days plus estimated transmittal time if written inquiry has been made.

2. Revise § 1054.3005 to read as follows:

§ 1054.3005 Contract modifications.

(a) *Supplemental agreements.* See § 1.201–19 of this title.

(b) *Change orders.* See § 1.201–1 of this title.

(c) *Modification to contracts.* (1) Any change required which is outside the scope of the provisions of the contract and may affect the price, terms, quantity, or other conditions of the contract will be effected with the use of DD Form 1320, "Supplemental Agreement." The contractor has no authority to proceed with performance of work contemplated by the change nor does the Government have authority to direct the contractor to proceed with performance of work contemplated by the change until the Supplemental Agreement is fully executed and all necessary approvals obtained.

(2) Any change required which is within the scope of the provisions of the contract and where an agreement is reached on the adjustment of price or delivery schedule prior to issuing written direction to the contractor will be effected by the use of DD Form 1320.

(3) Any change required which is within the scope of the provisions of the contract but time is of the essence not permitting negotiations of an adjustment in price or delivery will be directed by the use of DD Form 1319, "Change Order." At the earliest possible time after issuing the DD Form 1319, negotiations will be conducted to establish an adjustment in price or delivery schedule for the directed change. Such mutual agreement will be reflected on DD Form 1320. Where mutual agreement proves impossible, the contracting officer will prepare and process a findings and decision under the disputes clause according to § 1.314 of this title and § 1001.314 of this chapter.

(4) The contracting officer is responsible for negotiating a fair and reasonable price adjustment for any change made to a contract whether the change is authorized by the provision of the contract or represents a new procurement outside of the scope of the provision of the contract. Records of each

negotiated change will be maintained in the contract file according to § 1003.103 (b) of this chapter. Minimum records to be maintained for each modification to a construction contract will be:

(i) A price breakdown of the estimated cost (increase or decrease) of the contemplated change, prepared by the civil engineer, and submitted with the AF Form 9, "Purchase Request," for the change required. The estimated cost (actual costs will be shown to the extent available) will be broken down to reflect material costs, labor costs, other costs, and profit.

(ii) Contractors proposal with supporting price breakdown showing materials cost, labor costs, other costs, and profit.

(iii) Memorandum of price negotiation as required by § 1003.811 of this chapter.

(d) *Modification of Purchase Orders, DD Form 1155.* A purchase order issued on DD Form 1155 is an offer (unilateral action) only and therefore is not a binding contract between the parties until it is accepted by the vendor either in the form of a signed acceptance (DD Form 1155s) or by the commencement of performance under the order.

(1) When order has been accepted, changes when required will be issued pursuant to instructions in paragraph (c) of this section.

(2) When acceptance has not been received, one of the following courses of action will be taken:

(i) If vendor refuses to accept order and the reasons for nonacceptance cannot be determined or established, the order will be canceled by letter to the vendor outlining this failure to furnish written acceptance (perform under the order). This letter will be distributed to all recipients of the order.

(ii) If vendor refuses to accept the order and submits a counter-offer to the Government which affects the price, terms, quantity, or quality established on the initial order, automatic modification of the order to reflect the counter-offer is not authorized. The counter-offer must be evaluated on the same basis as an additional quotation received for the requirement before award.

(*a*) If the counter-offer is no longer the most advantageous to the Government, the order will be canceled by letter as indicated in subparagraph (2) (i) of this paragraph and a new order will be issued to the vendor whose quotation is most advantageous to the Government.

(*b*) If the counter-offer is still the most advantageous received for the requirement, the purchase order will be modified by DD Form 1319 to reflect the new price, terms, quantity, or quality in the counter-offer. The recital on the form which reads: "Pursuant to the 'Changes' clause _____" will be changed to read: "Pursuant to vendor's letter dated _____"

(e) *Modification of Delivery Orders, DD Form 1155.* When changes are required to delivery orders, such changes will be accomplished according to the terms of the basic contract and paragraph (c) of this section.

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314)

For the Secretary of the Air Force.

M. R. TIDWELL, Jr.,
Major General, U.S. Air Force, The Assistant Judge Advocate General, United States Air Force.

[F.R. Doc. 62–4846; Filed, May 18, 1962; 8:45 a.m.]

Title 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 203—BRIDGE REGULATIONS

PART 204—DANGER ZONE REGULATIONS

Yellow Mill Channel, Conn., and Atlantic Ocean Off Cape Canaveral, Fla.

1. Pursuant to the provisions of section 5 of the River and Harbor Act of August 18, 1894 (28 Stat. 362; 33 U.S.C. 499), § 203.130 governing the operation of certain bridges over Poquonock River, Yellow Mill Channel and Johnsons River, Connecticut is hereby amended to omit the Yellow Mill Highway Bridge and § 203.131 is hereby amended to include the Yellow Mill Highway Bridge across Yellow Mill Channel at Stratford Avenue, Bridgeport, Connecticut, effective 30 days after publication in the FEDERAL REGISTER, as follows:

§ 203.130 Poquonock and Johnsons Rivers, Conn.; bridges (highway and railroad) at Bridgeport.

(a) The regulations in this section are prescribed to govern the opening of certain drawbridges in the city of Bridgeport, Connecticut:

Poquonock River:
Stratford Avenue Highway Bridge.
New York, New Haven and Hartford Railroad Bridge.
Congress Street Highway Bridge.
East Washington Avenue Highway Bridge.
Johnsons River:
Pleasure Beach Highway Bridge at end of Seaview Avenue.

(b) *The signals.* (1) The signals for opening the draws of the bridges shall be given by blast of a horn or steam whistle as follows:

For Stratford Avenue Highway Bridge, one long and one short blast.
For New York, New Haven and Hartford Railroad Bridge, three short blasts.
For Congress Street Highway Bridge, four short blasts.
For East Washington Avenue Highway Bridge, one long and two short blasts.
For Pleasure Beach Highway Bridge, one long and one short blast.

* * * * *

(c) *The regulations.* * * *

(2) Exceptions: Closed periods when the draws of the above highway bridges over the Poquonock River need not be opened:

* * * * *

(4) There shall be conspicuously posted on both the upstream and downstream sides of the bridges in a manner that it can readily be read at any time a copy of the regulations of this section; a notice shall also be posted at the Stratford Avenue Bridge over the Poquonock River stating exactly how the Superintendent of Bridges, or his authorized representative, specified in subparagraph (2) (iii) of this paragraph may be reached.

§ 203.131 Poquonock River, Grand Street Highway Bridge and Yellow Mill Channel, Yellow Mill Highway Bridge at Stratford Avenue, Bridgeport, Conn.

* * * * *

[Regs., May 7, 1962, 285/111–ENGCW–ON] (Sec. 5, 28 Stat. 362; 33 U.S.C. 499)

2. Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; 33 U.S.C. 1) § 204.85 (formerly § 204.82a) governing the use and navigation of a danger zone in the Atlantic Ocean off Cape Canaveral, Florida, is hereby amended with respect to paragraph (b) to change the warning signals, effective 30 days after publication in the FEDERAL REGISTER, as follows:

§ 204.85 Atlantic Ocean off Cape Canaveral, Fla.; Air Force Missile Testing Area, Patrick Air Force Base, Fla.

* * * * *

(b) *The regulations.* (1) All unauthorized vessels are prohibited from operating within the danger zone during firing periods to be specified by the Commander, Air Force Missile Test Center, Patrick Air Force Base.

(2) Warning signals will be used to warn vessels that the danger zone is active. These signals will be in the form of a large red ball and a red flashing high intensity beacon. One signal will be located on a 90-foot pole near the shoreline at the north end of the danger zone, and one signal will be located on a 90-foot pole near the shoreline about one-half mile north of the south limit of the danger zone. An amber rotating beacon and warning sign will be erected on the north side of the Port Canaveral ship channel to indicate to vessels about to leave the harbor that the danger zone is in use.

(3) When the signals in subparagraph (2) of this paragraph are displayed, all vessels, except authorized patrol vessels, will immediately leave the danger zone by the most direct route and stay out until the signals are discontinued.

* * * * *

[Regs., May 8, 1962, 285/111–ENGCW–ON] (Sec. 7, 40 Stat. 266; 33 U.S.C. 1)

JULIAN A. WILSON,
Major General, U.S. Army, Acting The Adjutant General.

[F.R. Doc. 62–4847; Filed, May 18, 1962; 8:45 a.m.]

PART 207—NAVIGATION REGULATIONS

Ice Harbor Dam Navigation Lock and Approach Channels, Snake River, Wash.

Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; 33 U.S.C. 1), § 207.716 is hereby prescribed governing the use, administration, and navigation of the Ice Harbor Dam Navigation Lock and Approach Channels, Snake River, Washington, effective 30 days after publication in the FEDERAL REGISTER, as follows:

§ 207.716 Ice Harbor Dam Navigation Lock and Approach Channels, Snake River, Wash.; use, administration, and navigation.

(a) *General.* The lock and its approach channels, and all its appurtenances, shall be under the jurisdiction of the District Engineer, Corps of Engineers, United States Army, in charge of the locality. His representative at Ice Harbor Dam shall be the Project Engineer, who shall customarily give orders and instructions to the lock master and assistant lock masters in charge of the lock. Hereinafter, the term "lock master" shall be used to designate the lock official in immediate charge of the lock at any given time. In case of emergency and on all routine work in connection with the operation of the lock, the lock master shall have authority to take such steps as may be immediately necessary without waiting for instructions from the Project Engineer.

(b) *Immediate control.* The lock master shall be charged with the immediate control and management of the lock, and of the area set aside as the lock area, including the lock approach channels. He shall see that all laws, rules, and regulations for the use of the lock and lock area are duly complied with, to which end he is authorized to give all necessary orders and directions, both to employees of the Government and to any and every person within the limits of the lock or lock area, whether navigating the lock or not. It shall be the duty of the Project Engineer to establish lines of succession for the men operating the lock on all shifts in order that in case of absence or accident to the designated lock master, one of his assistants will immediately assume the position of lock master.

(c) *Authority of lock master.* No one shall cause any movement of any vessel, boat, or other floating thing in the lock or approaches except by or under the direction of the lock master or his assistants.

(d) *Signals*—(1) *Sound.* All craft desiring lockage shall signal by two long and two short blasts of their whistle, delivered at a distance of one-half mile from the lock. When the lock is ready for entrance, notice will be given by one long blast. Permission to leave the lock will be given by one short blast.

NOTE: Signal stations are provided at the upstream and downstream guide walls for use of small craft not equipped with signal equipment.

(2) *Visual.* Visual signals are located outside each lock gate and will be used in conjunction with the sound signals. When the green light is on, the lock is ready for entrance and vessels may enter under full control. When the red light is on, the lock cannot be made ready immediately and the vessel shall stand clear.

(3) *Radio.* The lock is equipped with two-way radio operating on frequencies of 2784 and 2182 kc. These frequencies are monitored by the lock master. Vessels equipped with two-way radio may communicate with the crew operating the lock but communications or signals so received will only augment and not replace the sound and visual signals.

(e) *Permissible dimensions of boats.* The lock chamber is 86 feet wide by 664.5 feet long in the clear. Single tows aggregating 650 feet or less in length will be permitted to lock through without disassembly. At normal pool elevation of 440 feet above m.s.l., the depth of water over the upstream gate sill will be 18 feet. The upstream sill elevation is 422 feet m.s.l. The depth of water over the downstream gate sill will depend upon the flow in the river but will usually exceed 19 feet when McNary Pool is at 340 feet m.s.l. The downstream gate sill elevation is 321 feet m.s.l. Gauges are located on the guide walls at each end of the lock and on the lock walls at each end. These gauges indicate water surface elevations in feet above m.s.l. Depth of water over the sills should be calculated before entrance into the lock. A craft must not attempt to enter the lock if its beam and length are greater than the above-indicated dimensions or if its draft exceeds the calculated depth over the sills with adequate allowances for safe clearances.

(f) *Precedence at lock.* Ordinarily the boat arriving before all others at the lock will be locked through first; however, depending upon whether the lock is full or empty, this precedence may be modified at the discretion of the lock master if boats are approaching from the opposite direction and are within reasonable distance of the lock at the time of the approach by the first boat. When several boats are to pass, precedence shall be given as follows:

First. Boats and craft owned by the United States and engaged upon river and harbor improvement work.
Second. Freight and tow boats.
Third. Rafts.
Fourth. Passenger boats.
Fifth. Small vessels and pleasure craft.

(g) *Loss of turn.* Boats that fail to enter the lock with reasonable promptness, after being authorized to do so, shall lose their turn.

(h) *Multiple lockage.* The lock master shall decide whether one or more vessels may be locked through at the same time.

(i) *Speed.* Vessels shall not be raced or crowded alongside another in the approach channels. When entering the lock, speed shall be reduced to a minimum consistent with safe navigation. As a general rule, when a number of vessels are entering the lock, the following vessel shall remain at least 200 feet astern of the vessel ahead.

(j) *Lockage of small boats*—(1) *General.* The lockage of pleasure boats, skiffs, fishing boats, and other small craft will be coordinated with the lockage of commercial craft, other than barges handling petroleum products or highly hazardous materials. If no commercial craft are scheduled to be locked through within a reasonable time not to exceed one hour after the arrival of the small craft at the lock, separate lockage will be made for such small craft.

(2) *Signals.* Signal stations which are connected to a bell located at the lock are located on the upstream and downstream guidewalls to provide facilities for small boats to notify the lock master they desire lockage. The upstream station is located near the upstream end of the north guidewall. The downstream station is located on the north guidewall about 400 feet below the gate. Small boats desiring to use the lock will sound two long and two short rings of the bell for upstream lockage and two long and three short rings for downstream lockage. When the lock is ready for entrance, the lock master will notify the small boat by one long blast of the horn. Permission to leave the lock will be given by one short blast of the horn. The boat will wait at the signal station until the lock master signals to enter.

(k) *Mooring in lock.* All boats, rafts, and other craft when in the locks shall be moored by head and spring lines and such other lines as may be necessary to the fastenings provided for that purpose, and the lines shall not be released until the signal is given for the vessel to leave the lock. (Do not moor to stationary bits or ladders.)

(l) *Mooring in approaches prohibited.* The mooring or anchoring of boats or other craft in the approaches to the lock where such mooring will interfere with navigation through the lock is prohibited. Rafts to be passed through the lock shall be moored so as not to interfere with the navigation through lock or its approaches, and, if the raft is to be divided into sections for locking, the sections shall be brought into the lock as directed by the lock master. After passing through the lock, the sections shall be reassembled at such a distance from the entrance so as not to obstruct or interfere with navigation through the lock and approaches.

(m) *Waiting for lockage.* Boats and tows waiting downstream of the dam for lockage shall wait in the clear downstream of the navigation lock approach channel, or, contingent upon prior radio clearance of the lock master, may at their own risk lie inside the 250-foot approach channel alongside the north shore, provided that a 150-foot-wide open channel is maintained between the boat or tow and the offshore guidewall. Vessels waiting upstream of the dam for lockage may lay to against the offshore floating guidewall provided they remain not less than 400 feet upstream of the upstream lock gate. In either event, a clear channel not less than 150 feet wide shall be kept open to accommodate passing traffic.

(n) *Delay in lock.* Boats or barges must not obstruct navigation by un-

necessary delay in entering or leaving the lock.

(o) *Damage to lock or other structures.* The regulations contained in this section shall not affect the liability of the owners and operators of vessels for any damage by their operations to the lock or other structures. They must use great care not to strike any part of the lock, any gate or appurtenance thereto, or machinery for operating the gates, or the walls protecting the banks of the approach channels. All boats with metal nosings or projecting irons, or rough surfaces which may damage the gates or lock walls, will not be permitted to enter the lock unless provided with suitable buffers and fenders.

(p) *Tows.* Persons in charge of vessel towing a second vessel or barge by lines, shall take the second vessel or barge alongside at a distance of at least 300 feet from the lock gate toward which the vessel is approaching and keep it alongside until at least 300 feet clear of the gate at the end from which it is departing.

(q) *Crew to move craft.* The masters in charge of tows and the persons in charge of rafts and other craft must provide a sufficient number of men to move barges, rafts, and other craft into and out of the lock easily and promptly.

(r) *Handling valves, gates, bridges, and machinery.* No person, unless authorized by the lock master, shall open or close any bridge, gate, valve, or operate any machinery in connection with the lock, but the lock master may call for assistance from the master of any boat using the lock, should such aid be necessary, and when rendering such assistance, the men so employed shall be strictly under the orders of the lock master. Masters of boats refusing to give such assistance when it is requested of them may be denied the use of the lock by the lock master.

(s) *Landing of freight.* No one shall land freight or baggage on or over the walls of the lock so as in any way to delay or interfere with navigation or the operations of the lock. Freight and baggage consigned to Ice Harbor Project shall be landed only at such places as are designated by the lock master or his assistants.

(t) *Refuse in locks.* No material of any kind shall be thrown or discharged into the lock, and no material of any kind shall be deposited in the lock area.

(u) *Statistics.* On each passage through the lock, masters or pursers of vessels shall make to the lock master such written statement of passengers, freight, and registered tonnage and other information as are indicated on forms furnished such masters or pursers by the lock master.

(v) *Persistent violation of regulations.* If the owner or master of any boat persistently violates the regulations of this section after due notice of the same, the boat or master may be refused lockage by the lock master at the time of violation or subsequent thereto if deemed necessary in the opinion of the lock master to protect Government property and works in the vicinity of the lock.

(w) *Restricted areas.* (1) All the waters described in subparagraphs (2) and (3) of this paragraph are restricted to all boats except those of the United States Coast Guard and Corps of Engineers.

(2) All of the waters downstream of the dam which are bounded on the east by the dam, on the north by the guidewall, on the south by the shore of the river, and on the west by a line approximately one-fourth mile downstream of the dam, the north end of which is indicated by the downstream end of the guidewall and on the south by the downstream transmission line tower.

(3) All waters within a distance of about 2,400 feet above the dam lying south of the navigation channel leading to the lock. This restricted area is marked by a line of buoys extending 1,800 feet upstream from the end of the floating guidewall, and thence, across the river to the south shore.

[Regs., May 2, 1962, 285/112 (Snake River, Wash.)—ENGCW-ON] (Sec. 7, 40 Stat. 266; 33 U.S.C. 1)

JULIAN A. WILSON,
Major General, U.S. Army,
Acting The Adjutant General.

[F.R. Doc. 62-4848; Filed, May 18, 1962; 8:45 a.m.]

Title 50—WILDLIFE AND FISHERIES

Chapter II—Bureau of Commercial Fisheries, Fish and Wildlife Service, Department of the Interior

SUBCHAPTER G—PROCESSED FISHERY PRODUCTS, PROCESSED PRODUCTS THEREOF, AND CERTAIN OTHER PROCESSED FOOD PRODUCTS

PART 260—INSPECTION AND CERTIFICATION

Fees and Charges

On page 2156 of the FEDERAL REGISTER of March 6, 1962, there was published a notice and text of proposed amendments to part 260 of Title 50, Code of Federal Regulations. The purpose of these changes is to achieve a higher degree of uniformity in the assessment of fees and the method of charging for inspection services rendered under the authority vested in the Secretary of the Interior by section 6(a) of the Fish and Wildlife Act of 1956 (16 U.S.C. 742e(a)). The amounts are deemed to be necessary to offset the normal costs to the Bureau of Commercial Fisheries for rendering such inspection service.

Interested persons were given until April 6, 1962, to submit written comments, suggestions, or objections with respect to the proposed changes. Two comments were received and considered and the proposed amendments are hereby adopted without change and are set forth below. These amendments shall become effective June 1, 1962.

Dated: May 14, 1962.

STEWART L. UDALL,
Secretary of the Interior.

1. Section 260.69 is amended to read as follows:

§ 260.69 Payment of fees and charges.

Fees and charges for any inspection service shall be paid by the interested party making the application for such service, in accordance with the applicable provisions of the regulations in this part, and, if so required by the person in charge of the office of inspection serving the area where the services are to be performed, an advance of funds prior to rendering inspection service in an amount suitable to the Secretary, or a surety bond suitable to the Secretary, may be required as a guarantee of payment for the services rendered. All fees and charges for any inspection service, performed pursuant to the regulations in this part, shall be paid by check, draft, or money order made payable to the Bureau of Commercial Fisheries. Such check, draft, or money order shall be remitted to the appropriate Regional or Area office serving the geographical area in which the services are performed, within ten (10) days from the date of billing, unless otherwise specified in a contract between the applicant and the Secretary, in which latter event the contract provisions shall apply.

2. Section 260.70 is amended to read as follows:

§ 260.70 Schedule of fees.

(a) Unless otherwise provided in a written agreement between the applicant and the Secretary, the fees to be charged and collected for any inspection service performed under the regulations in this part at the request of the United States, or any agency or instrumentality thereof, shall be in accordance with the applicable provisions of §§ 260.70 to 260.79.

(b) Unless otherwise provided in the regulations in this part, the fees to be charged and collected for any inspection service performed under the regulations in this part shall be based on the applicable rates specified in this section for the type of service performed.

(1) *Continuous inspection.*

	Per hour
Regular time	$4.20
Overtime	5.00

Applicants shall be charged at an hourly rate of $4.20 per hour for regular time and $5 per hour for overtime in excess of 40 hours per week for services performed by inspectors assigned to plants operating under continuous inspection. Applicants shall be billed monthly at a minimum charge of 8 hours per working day plus overtime, when appropriate, for each inspector. A minimum yearly charge of 260 days will be made for each inspector permanently assigned to each plant.

(2) *Lot inspection—officially and unofficially drawn samples.*

For lot inspection services performed between the hours of 7:00 a.m. and 5 p.m. of any regular workday—$6 per hour.

For lot inspection services performed between the hours of 5 p.m. and 7 a.m. of any regular workday—$9 per hour.

For lot inspection services performed on Saturday, Sunday, and National legal holidays—$9 per hour.

The minimum fee to be charged and collected for inspection of any lot of product shall be $3.

(c) Fees to be charged and collected for lot inspection services furnished on an hourly basis shall be based on the actual time required to render such service including, but not limited to, the travel, sampling, and waiting time required of the inspector, or inspectors, in connection therewith, at the rate of $6 per hour for each inspector, except as provided in paragraph (b) (2) of this section.

3. Section 260.71 is amended to read as follows:

§ 260.71 Inspection services performed on a resident basis.

Fees to be charged and collected for any inspection service, other than appeal inspection, on a resident basis shall be those provided in § 260.70 and shall include such items as listed in this section as are applicable. The fees to be charged for appeal inspections shall be as provided in § 260.74.

(a) A charge for per diem and travel costs incurred by any inspector whose services are required for relief purposes when the regular inspector is on annual, sick, or military leave: *Provided,* That, with regard to military leave, charges for per diem and travel costs incurred by a relief inspector shall not exceed 15 days per calendar year.

(b) A charge to cover the actual cost to the Bureau of Commercial Fisheries of the travel (including the cost of movement of household goods and dependents), and per diem with respect to each inspector who is transferred (other than for the convenience of the Bureau of Commercial Fisheries), from an official station to the designated plant.

(c) A charge of $6 per hour plus actual costs to the Bureau of Commercial Fisheries for per diem and travel costs incurred in rendering services not specifically covered in this section; such as, but not limited to, initial plant surveys.

4. Section 260.72 is amended to read as follows:

§ 260.72 Fees for inspection service performed under cooperative agreement.

The fees to be charged and collected for any inspection or similar service performed under cooperative agreement shall be those provided for by such agreement.

5. Section 260.73 is amended to read as follows:

§ 260.73 Disposition of fees for inspections made under cooperative agreement.

Fees for inspection under a cooperative agreement with any State or person shall be disposed of in accordance with the terms of such agreement. Such portion of the fees collected under a cooperative agreement as may be due the United States shall be remitted in accordance with § 260.69.

§ 260.75 [Deletion]

6. Section 260.75 is deleted.

7. Section 260.76 is amended to read as follows:

§ 260.76 Charges based on hourly rate not otherwise provided for in this part.

When the appropriate Regional or Area Director determines that any inspection or related service rendered is such that charges based upon the foregoing sections are clearly inapplicable, charges may be based on the time consumed by the inspector in performance of such inspection service at the rate of $6 per hour.

8. Section 260.81 is added:

§ 260.81 Readjustment and increase in hourly rates of fees.

The hourly rates of fees to be charged for inspection services will be subject to review and reevaluation for possible readjustment not less than every 3 years: *Provided,* That, the hourly rates of fees to be charged for inspection services will be immediately reevaluated as to need for readjustment with each Federal pay act increase.

[F.R. Doc. 62-4854; Filed, May 18, 1962; 8:45 a.m.]

Title 32A—NATIONAL DEFENSE, APPENDIX

Chapter VI—Business and Defense Services Administration, Department of Commerce

[BDSA Order M-11A, Revised Schedule A of May 16, 1962]

M-11A—COPPER AND COPPER-BASE ALLOYS

Revision of Schedule A—Set-Aside Percentages

This amendment of Schedule A to BDSA Order M-11A is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950, as amended. In the formulation of this amendment, there was consultation with industry representatives, including trade association representatives, and consideration was given to their recommendations.

This amendment makes changes in Revised Schedule A of February 1, 1962, to BDSA Order M-11A, as amended December 18, 1956. It applies to authorized controlled material orders calling for delivery after June 30, 1962, and provides revised set-aside percentages for copper controlled material products.

Schedule A to BDSA Order M-11A is hereby further amended to read as follows:

SCHEDULE A TO BDSA ORDER M-11A

Set-Aside Percentages

(See sec. 6(f) of BDSA Order M-11A)

Base Period—Calendar Year 1960

(See sec. 2(o) of BDSA Order M-11A)

Product	Percentage for orders calling for delivery after June 30, 1962 [1]
Brass mill products:	
Unalloyed:	
Plate, sheet, strip, and rolls	8
Rod, bar, shapes, and wire	7
Seamless tube and pipe	[2]
Alloyed:	
Plate, sheet, strip, and rolls	3
Rod, bar, shapes, and wire	5
Seamless tube and pipe	20
Military ammunition cups and discs	[2]
Copper wire mill products:	
Copper wire and cable:	
Bare and tinned	5
Weatherproof	5
Magnet wire	5
Insulated building wire	5
Paper and lead power cable	5
Paper and lead telephone cable	5
Asbestos cable	5
Portable and flexible cord and cable	5
Communications wire and cable	5
Shipboard cable	5
Automotive and aircraft wire and cable	5
Insulated power cable	5
Signal and control cable	5
Coaxial cable	5
Copper-clad steel wire containing over 20 percent copper by weight regardless of end use	5
Copper foundry products	3
Unalloyed copper powder mill products	[2]
Copper-base alloy powder mill products	[2]

[1] Schedule A revised as of February 1, 1962, to BDSA Order M-11A, as amended December 18, 1956, applies to orders calling for delivery prior to July 1, 1962.

[2] No reserve space provided. Producers of these products are nevertheless required to accept authorized controlled material orders for such products in accordance with the provisions of DMS Regulation No. 1 and this order. However, section 6(f) of Order M-11A does not apply to such authorized controlled material orders.

(Sec. 704, 64 Stat. 816, as amended; sec. 1, 74 Stat. 282; 50 U.S.C. App. 2154, 2166)

This revised schedule shall take effect May 16, 1962.

BUSINESS AND DEFENSE SERVICES ADMINISTRATION,
EUGENE P. FOLEY,
Administrator.

[F.R. Doc. 62-4857; Filed, May 18, 1962; 8:46 a.m.]

Proposed Rule Making

POST OFFICE DEPARTMENT

[39 CFR Part 45]

CITY DELIVERY

Apartment House Mail Receptacles; Proposed Specifications for Construction

In Federal Register Document 62–4678, appearing at page 4596 of the issue for Tuesday, May 15, 1962, the effective date of the "Note" following the first sentence of subdivision (i) of subparagraph (3) under proposed amendment "2" to § 45.6(b) is corrected to read: "January 1, 1963".

LOUIS J. DOYLE,
General Counsel.

[F.R. Doc. 62–4871; Filed, May 18, 1962; 8:46 a.m.]

DEPARTMENT OF THE INTERIOR

National Park Service

[36 CFR Part 1]

PUBLIC ROADS IN AREAS OF THE NATIONAL PARK SYSTEM

Proposed Limitations on Speed

Notice is hereby given that pursuant to the authority vested in the Secretary of the Interior by section 3 of the act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 3), it is proposed to amend 36 CFR 1.42 as set forth below. The purpose of the amendment is to provide the superintendents of all areas of the National Park System, except national cemeteries, national capital parks, and national recreation areas with authority to post speed limits on all public roads up to and including a maximum of 45 miles per hour.

It is the policy of the Department of the Interior whenever practicable, to afford the public an opportunity to participate in the rule making process. Accordingly, interested persons may submit written comments, suggestions, or objections with respect to the proposed amendment to the Director, National Park Service, Washington 25, D.C., within thirty days of the date of publication of this notice in the FEDERAL REGISTER.

Subparagraph (3) of paragraph (a) of § 1.42 is amended to read as follows:

§ 1.42 **Limitations on speed.**

(a) Limitations on speed of vehicles except in emergencies as provided in paragraph (b) of this section are as follows:

* * * * *

(3) 45 miles per hour upon all public roads except when official signs are posted indicating a lesser speed limit.

STEWART L. UDALL,
Secretary of the Interior.

MAY 14, 1962.

[F.R. Doc. 62–4855; Filed, May 18, 1962; 8:45 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Stabilization and Conservation Service

[7 CFR Part 1131]

[Docket No. AO–271–A5]

MILK IN CENTRAL ARIZONA MARKETING AREA

Decision on Proposed Amendments to Tentative Marketing Agreement and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Phoenix, Arizona, on February 14–15, 1962, pursuant to notice thereof issued on January 24, 1962 (27 F.R. 832).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Assistant Secretary, on April 20, 1962 (27 F.R. 3923; F.R. Doc. 62–4050) filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision containing notice of the opportunity to file written exceptions thereto.

The material issues, findings and conclusions, rulings, and general findings of the recommended decision (27 F.R. 3923; F.R. Doc. 62–4050) are hereby approved and adopted and are set forth in full herein subject to the following modifications: Under issue 3 the first word of the first sentence is changed and two paragraphs are added at the end of the findings on this issue.

The material issues on the record of the hearing relate to:

1. Marketing area;
2. Definition of producer-handler;
3. Pricing of milk used in cottage cheese;
4. Classification of milk disposed of to commercial food establishments;
5. Classification of milk solids used to fortify fluid milk products;
6. Basic butterfat content;
7. Basic formula price;
8. Class I milk price;
9. Butterfat differentials;
10. Location differentials;
11. Price announcement; and
12. Miscellaneous.

Findings and conclusions. The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

1. *Marketing area.* The proposals to include the counties of Apache, Coconino, Gila, Navajo, Mohave, Yavapai, and Santa Cruz in the marketing area of the Central Arizona milk order are denied.

The proponent of expanding the marketing area to include Apache, Navajo, Coconino, Yavapai, and Gila Counties modified his proposal to change the northern boundaries of the proposed area from the county lines in Coconino, Navajo, and Apache Counties to the Colorado, Little Colorado Rivers in Coconino County and the south boundary of the Navajo Indian Reservation in Navajo and Apache Counties. A proponent to include Yavapai, Mohave, Coconino, Gila, Navajo, and Santa Cruz Counties modified his proposal to include only Mohave County. There was no testimony supporting the inclusion of Santa Cruz County in the marketing area.

The competitive pattern of milk sales in the area proposed to be added was not clearly indicated. The inclusion of this area would bring five dairy plants and two producer-distributors under regulation. The five plants are small and together represent the production of about 12 dairy farmers. These plants are primarily fluid operations and handle little or no surplus. One handler who sells in the proposed area stated he was paying his producer $1.75 a pound butterfat or $6.65 per hundredweight for Class I milk testing 3.8 percent fat. This handler had about a 10 percent surplus so was paying his producer more than the Phoenix Class I price, even if the surplus milk had no value.

A proponent of adding Mohave County to the marketing area was concerned about competition from a nonregulated handler in Las Vegas, Nevada, who might sell milk in the area. The Las Vegas handler was reported to be paying a flat price of $1.65 a pound butterfat or $6.27 for milk of 3.8 percent butterfat content. The average Class I price at Phoenix in 1961 for milk of 3.8 percent butterfat was $5.72. No sales were being made in Mohave County by the Las Vegas handler.

The extension of the marketing area would increase fringe problems. The inclusion of this area would also increase administrative costs. Regulated handlers have experienced no loss of sales in the area proposed. The blend prices paid dairy farmers at the plants which would become regulated by the extension of the area were reported to be higher than the Phoenix Class I price. Hence, regulated

handlers are at no disadvantage in paying minimum order prices on milk sold in competition with the handlers in this proposed area extension.

There was no evidence that the addition of any part of the seven counties would contribute to orderly marketing. Therefore, no change should be made in the marketing area definition.

2. *Definition of producer-handler.* The "producer-handler" definition should be revised to include a provision whereby such a handler would lose his exempt status if he received from other pool handlers in any month a quantity of milk in excess of five percent of his total Class I utilization for the month.

There are three producer-handlers selling milk in the Central Arizona marketing area. These handlers have received supplemental milk from other handlers but have seldom exceeded the five percent tolerance limitation herein proposed.

A producer-handler should be required to maintain his own reserve supply since he is exempted from pooling his Class I sales with other producers. The limitation on the amount of milk which an exempt producer-handler may purchase from pool plants will make it necessary for him to maintain herd production equal to his Class I sales plus a reserve to cover variations in production and sales.

Although producer-handlers' milk sales are currently a small percentage of the total Central Arizona milk market sales, they represent a potential threat to orderly marketing if producer-handlers are permitted to shift their excess burden to other producers. The Central Arizona market is composed of large producers with some producers delivering nearly one million pounds a month. If such large volume producers could market their own production entirely as Class I and buy their reserve milk to balance daily fluctuations in their production and sales, they would be a disturbing element in the market. Such producer-handlers presumably can deliver milk to their own plant at a cost no higher than the blend price which other producers on the market receive. In their handling operations this blend priced milk provides a strong incentive to cut selling prices and expand operations.

Although producer-handlers who do not pool their Class I sales with other producers supplying the market should carry their entire reserve supply of milk in their own herd production, they should be permitted to purchase a limited amount of milk from regulated pool plants to cover emergencies. The proposed five percent tolerance will permit a producer-handler to supplement his own production during temporary periods or in relatively insignificant quantities. This privilege will not adversely affect regular producers and handlers if the supplemental receipts are obtained from a pool plant at which such milk is classified as Class I.

A proposal was made at the hearing that producer-handler exempt status be retained if the producer-handler purchased milk in an amount up to 50 percent of his total Class I utilization. A producer-handler permitted to obtain up to 50 percent of his Class I utilization from pool plants would be placed in a position whereby the market would carry all the reserve for his Class I sales. This proposal would circumvent the intended purpose of this provision and is therefore denied.

It was proposed that producer-handler status be limited to a person whose principal source of income is from the production and sale of milk. This provision would be difficult to administer, would serve no useful purpose and is denied.

A proposal was made that a governmental institution which maintains a dairy herd and operates a milk plant automatically be exempt from regulation. The University of Arizona maintains such an operation and sells the milk in excess of its own needs to a pool plant.

A governmental institution that maintains a dairy herd and operates a milk plant should ordinarily be exempted from regulation but the institution should be given the option of electing to be considered as a pool plant. This would permit a State institution which produced milk beyond its own needs to have pool handler status and thus have its milk production pooled and priced uniformly with other producers. If the governmental institution elects to share its excess milk production, it should also be required to report and pool as a handler the Class I milk used by the institution.

In order to prevent frequent changes from nonpool to pool status the option to elect pool status should be permitted only on a year-round basis.

The privilege of pooling should be at the request of the institution and unless a request for pool handler status is made the institution should be considered a producer-handler. In such case, the Class I use by the institution is not pooled with the sales of other producer milk and milk which is received at other pool plants from the institution is considered a receipt of other source milk and allocated to the lowest class use.

3. *Pricing of milk used in cottage cheese.* Fluid milk products used to produce cottage cheese should be classified as Class II and priced 15 cents higher than Class III which would include other manufactured dairy products.

Cottage cheese is the principal manufactured dairy product made by handlers in the Central Arizona marketing area. More than 3 million pounds of milk per month was used to produce cottage cheese in 1961. The quantities used each month varied from a high of 3.9 million pounds in March to a low of 2.9 million pounds in December. The volume of milk used in cottage cheese has been increasing in recent years. This use in 1961 accounted for 19 percent more milk than it did in 1960.

The order price for skim milk used in cottage cheese has encouraged the use of milk in excess of fluid needs in this product. To the extent that supplies of skim milk are available, use in cottage cheese should be encouraged. However, the Central Arizona market does not always have a sufficient supply of milk to fill requirements for cottage cheese as well as fluid products sales. At such times, handlers must import cottage cheese or use nonfat dry milk to manufacture cheese.

If local skim milk is priced at less than the cost of alternative supplies of cheese or dairy products for making cheese, producers would not receive the full market value for their milk. On the other hand, if milk used in cottage cheese is priced higher than the alternative product cost, use of local skim milk in cottage cheese would be discouraged.

Cottage cheese can be made from manufacturing grade milk. However, there is practically no manufacturing grade milk in Arizona. In fact, a very large proportion of all the milk sold to plants in the state is sold to handlers regulated by the Central Arizona order. In 1960 the total quantity of milk delivered to plants in Arizona was 432 million pounds and the receipts at plants regulated by the Central Arizona order were 429 million pounds.

During a recent shortage the cooperative association supplied handlers with nonfat dry milk at 15.5 cents per pound which, at the rate of 8.5 pounds of nonfat solids per hundredweight of skim milk, was $1.32 per hundredweight of skim milk equivalent. The order price for skim milk in January 1962 was 79 cents per hundredweight. Although handlers used nonfat dry milk to make cottage cheese at a relatively high product cost on a temporary basis, it is reasonable to assume they would seek lower cost sources for their regular supply.

Large quantities of cottage cheese and cottage cheese curd have been received in the Central Arizona market from California. Some cottage cheese was being received in the area from California at the time of the hearing.

One handler testified that he manufactures cottage cheese in a California plant and ships it to Arizona. Skim milk used in this cottage cheese is mostly Grade A skim milk and costs 94 cents per hundredweight. Some ungraded skim milk at about 74 cents per hundredweight is also used in cheese making. The cost of shipping the cheese from California to Arizona is about one and a half cents per pound. This handler stated that the large volume cheese making operation in his California plant made manufacture in that area economical even though the cost of skim milk was higher than in Arizona.

Producers proposed that the cottage cheese price be set at 20 cents over the price for milk used in other manufactured dairy products. Several handlers claimed that the 20-cents higher price would discourage cottage cheese manufacturing in the area in favor of imports from California.

It is apparent that presently existing relative price levels in Arizona and California have encouraged handlers to increase the use of Arizona milk in cottage cheese. However, cheese made from ungraded milk in California with somewhat lower unit processing costs, even with the transportation cost added, might be less costly than cottage cheese made from Arizona milk if the price were increased as much as 20 cents. A lesser price increase will promote the continued use of available local skim milk in the

manufacture of cottage cheese. Therefore, Class II price for milk used in making cottage cheese should be increased gradually, at this time only 15 cents over the Class III price (the present Class II price).

A new Class III should be defined to include manufactured products other than cottage cheese. Such Class III would be priced according to the formula now used for Class II.

Cottage cheese disposed of for livestock feed should be assigned to Class III. As with fluid milk products, cottage cheese which may become unsalable for human consumption is often disposed of as animal feed. Such disposition should be classified and priced in the lowest use class.

The nonfluid milk products used in making cottage cheese should be classified as Class III. Although nonfat dry milk is more expensive than Class II producer skim milk per pound of nonfat milk solids, some handlers use nonfat dry milk in the production of cottage cheese even when producer milk is available. Also, an adequate supply of producer milk is not always available during the trough of the production period for use in cottage cheese. Since there is no cost advantage in using nonfat dry milk rather than producer milk in cottage cheese, the fluid equivalent of such solids should be classified as Class III. This method of classification will preserve the present method of accounting for nonfluid products as other source milk at the full skim equivalent of the solids content while relieving handlers of the possibility of being charged the higher Class II price for producer milk which was not used in cottage cheese.

4. *Classification of milk disposed of to commercial food establishments.* Skim milk and butterfat disposed of in bulk to commercial food establishments which process food for consumption off the premises should be classified as Class II. Such classification should apply only to bulk deliveries of 5 gallons or more per delivery.

Handlers stated they cannot sell milk to commercial food processing plants at the Class I price because such establishments can substitute manufactured dairy products in their food processing. Producers asked that milk disposed of to commercial food processing plants be priced no lower than Class II. Figures on the amount of bulk milk disposed of to commerical food processing plants were not available.

Since food manufacturing companies may serve, at times, as an outlet for the reserve milk carried for the market, milk disposed of to such establishments should be priced at a level approximating the cost of alternative substitutes. The Class II price proposed in this decision is calculated to reflect such alternative cost. Accordingly, milk disposed of for commercial food manufacturing should be classified and priced as Class II.

Only bulk sales to commercial food establishments of fluid milk products in lots of 5 gallons or more should be permitted the Class II classification. This will assure that small lots of packaged milk continue to bring the Class I price. Such sales cannot be considered an outlet for reserve milk.

5. *Classification of milk solids used to fortify fluid milk products.* "Dietary drinks" and other fluid milk products fortified with additional milk solids should be considered a Class I product up to the weight of an unmodified product of the same nature and butterfat content. The skim milk equivalent of the added solids in excess of such weight should be considered a Class III product.

Fortified milk products result from the addition of nonfat solids to a fluid products to yield a finished product of a higher nonfat solids content than that of an equivalent amount of whole (producer) milk. The demand for fortified skim products has steadily increased in the past few years. This is due in part to the emphasis on low-fat diets and the high nutritional value of nonfat milk solids.

The Central Arizona order provides that the skim milk equivalent of fortified products be classified as Class I. Handlers proposed that the skim milk equivalent of nonfat solids used to fortify fluid milk products be assigned the lowest price class.

Nonfat milk solids and condensed milk are normally produced from unpriced milk or milk which has been priced as surplus under a Federal order. These products are not necessarily made from producer milk and may be made from ungraded milk. The added milk solids do not replace producer milk and often will increase the palatability and sales of Class I products. Hence, the fluid equivalent of added nonfat solids should be classified in Class III rather than Class I.

It is practical and administratively necessary to maintain the skim milk equivalent method of accounting for total receipts and disposition. Accordingly, fortified milk products should be classified as Class I only to the extent of the weight of an unmodified product of the same nature and butterfat content. The difference between the volume assigned to Class I and the total skim milk equivalent of the added milk solids in the product should be assigned to Class III. Flavoring materials, not including their water content, should be excluded from the total skim milk and butterfat to be accounted for in the fluid milk product.

This method of accounting for fluid milk products to which nonfat solids have been added will assure that reconstituted milk and skim milk are classified in Class I including all of the water associated with the milk solids used. Reconstituted fluid milk products compete for Class I sales with other milk and skim milk, and if made from other source milk, could displace producer milk in Class I sales to the extent of the full volume of liquid associated with such solids. Therefore, accounting for these products on the basis of the original volume plus any water associated with such solids, is necessary to return to producers a value commensurate with the use and availability of their milk for Class I purposes.

6. *Basic butterfat content.* The basic butterfat content at which prices are computed and announced should be changed from 3.8 to 3.5 percent. Most Federal milk orders provide for the announcement of prices for milk of 3.5 percent butterfat. Hence, the computation and announcement of prices in the Central Arizona market at the same basic fat test will facilitate price comparisons.

The average butterfat content of milk received in the Central Arizona market from producers in 1961 was 3.58 percent. The average butterfat content of Class I milk disposed of by handlers in the market was 3.48 percent in 1961.

There was no opposition to the proposal to change the basic butterfat content at which prices are announced from 3.8 to 3.5 percent but producers asked that the change be made without affecting price levels.

The effect of changing the basic butterfat content for price computations has been considered in determining the Class I price differential to be added to the basic formula price.

The change in basic butterfat content also affects the Class II and Class III pricing formulas. Since butterfat in milk of basic test is priced at the rate of 1.2 times the wholesale price of butter and butterfat in excess of the basic content is priced at 1.15 times the same factor, the change in the basic butterfat content reduces slightly the price for Class II milk at the average test of such milk. The reduction, however, is less than one cent per hundredweight and producers' total returns for reserve milk will be increased slightly as the result of proposed changes in the pricing of milk used in cottage cheese. Therefore, no compensating change should be made in the Class II and Class III pricing formulas along with the change in basic butterfat content.

The computation of uniform prices to producers for milk of 3.5 percent butterfat with differentials for milk of other butterfat tests will make no change in individual producer's prices as compared to a basic computation at 3.8 percent.

7. *Basic formula price.* The basic formula price from which the Class I milk price is computed should be the monthly average price received by farmers for manufacturing grade milk in Minnesota and Wisconsin as published by the Department on or about the 5th day following the month (adjusted to a 3.5 percent butterfat content).

The Central Arizona Class I price is now based on a basic formula price representing a manufacturing value of milk plus a price differential which is adjusted by supply-demand conditions in the market. The basic formula price is currently the higher of the average Midwest condensery price or the price obtained from a butter-powder formula computation.

The effective formula in most months has been the Midwest condensery price. The Midwest condensery series was originally based on reports of 18 plants. From time to time individual plants have ceased operations. Recently only 7 plants (5 in Wisconsin, 2 in Michigan) are reporting prices. In addition to the deficiency of basing the Class I price on such a small number of plants, the num-

ber of business concerns operating these plants is even fewer. Consequently, the Midwest condensery price is less representative of manufacturing milk values than previously.

The formula based on prices of butter and powder contains a rigid cost factor which does not respond to changes in efficiency. Also, this formula represents milk values for these particular uses rather than the general value in all major uses represented by Minnesota-Wisconsin manufacturing milk prices. In 1961 the butter-powder formula averaged 13 cents below the condensery pay price and was the lower of the two formulas in all 12 months.

In view of the disadvantages inherent in the existing formulas based on product prices and the lessening representation provided by the Midwest condensery prices, it is imperative that a sounder basis for determining basic formulas be provided. Furthermore, uniformity of basic formulas is desirable for the purposes of aligning prices among related markets and promoting understanding of order pricing methods among parties in the industry. It is, therefore, important that the basic formula to be used in the Central Arizona market be a formula which is acceptable and used in a large number of markets.

The average price of manufacturing grade milk in Minnesota and Wisconsin is now used in 36 Federal order markets in the determination of Class I prices. This series reflects a price level determined by competitive conditions which are affected by demand in all of the major uses of manufactured dairy products. The system of reporting has been developed so that a reliable average price is available promptly and thus it provides just as current a basis for pricing milk as existing basic formulas.

Inasmuch as the manufacturing milk price for the two-state area is reported by the Department as the price at actual butterfat test, a method for adjustment to the basic butterfat test (3.5 percent) must be adopted. For this purpose a generally recognized value of butterfat, 0.12 times the average wholesale price for 92-score butter at Chicago, should be used. Such a method of adjustment is used in adjusting the price series to a 3.5 percent basis in Federal order markets where this basic formula has been adopted.

In 1961 the average Minnesota-Wisconsin manufacturing milk price (3.5 percent butterfat) exceeded by 3 cents the basic formula effective in establishing Class I prices in the Central Arizona area adjusted to 3.5 percent butterfat content by the Class I butterfat differential. The lower basic formula price in the Central Arizona market reflected the weaknesses in the Midwest condensery price during recent months. Accordingly, the Class I price differetial should not be reduced in adopting the Minnesota-Wisconsin series as the basic formula.

Since the Minnesota-Wisconsin manufacturing milk price adjusted to 3.5 percent butterfat content as proposed herein has reflected an almost identical price level on the average during the past three years as the average Midwest condensery price for 3.5 percent milk, it should be substituted directly with no adjustment.

8. *Class I milk price.* The mechanics of the Class I pricing formula in the Central Arizona order should be revised but the combined effect of these changes and other proposed changes which affect returns for Class I milk should not result in any increase or decrease in the price level.

The Class I price level which has prevailed in the Central Arizona market has been effective in providing an adequate supply of pure and wholesome milk. Producers delivered enough milk in 1961 to cover all Class I sales plus a 30 percent reserve. In 1960 producers' deliveries exceeded Class I sales by 25 percent and in 1959 the excess of deliveries over sales was 30 percent. This margin of reserve supply is somewhat greater than would ordinarily be needed to assure an adequate supply at all times for Class I sales. Producers proposed a standard maximum reserve of 122.5 percent. Some reduction in the milk supply may be expected as the result of a lower basic formula price. The price for manufacturing grade milk (basic formula price) will reflect the reduction in Government supported prices for dairy products which was announced March 31, 1962. Official notice is taken of the announcement of prices at which the Commodity Credit Corporation will purchase butter, nonfat dry milk and cheddar cheese during the year April 1, 1962, through March 31, 1963.

While the price level has been adequate on an annual average basis, large variations in monthly prices have occurred. These variations were caused by the supply-demand adjustor factor of the pricing formula which automatically adjusts prices to reflect changes in receipts of milk relative to Class I sales in the market.

The supply-demand adjustor factor in the Class I pricing formula should be amended to reduce the amount of price change resulting from that factor. This should be done by substituting a new table of standard utilization percentages and reducing the rate of adjustment for each percentage above or below the applicable standard utilization from one cent to one-half cent.

These changes in the supply-demand adjustor should be accompanied by other changes so that the price level is neither increased or decreased by the combined changes. The increase which would result from the proposed supply-demand adjustor is offset primarily by a reduc- of 15 cents in the differential added to the basic formula price. The proposed classification of the skim milk equivalent of nonfat milk solids used to fortify fluid milk products in Class III rather than Class I also reduces the returns from Class I milk. The proposed change in the basic formula would increase returns for Class I milk slightly. All of these proposed changes affect the producers' returns for Class I milk and taken as a whole if they had been in effect in 1961 would have maintained the same level of return for Class I milk as prevailed in that year.

There has been a negative supply-demand adjustment applicable to the Central Arizona Class I price each month since May 1959. The amount of adjustment ranged from 3 cents to the maximum of 50 cents. These adjustments reflect the increasing supply of producer receipts in relation to Class I sales.

Producers recognized that Class I price reductions were necessary to reflect the increasing supply relative to Class I sales. However, witnesses claimed the present type of adjustment caused contraseasonal, erratic, and relatively large month-to-month adjustments.

The present supply-demand provisions have, in fact, produced some erratic contraseasonal pricing. In 1961, during the months when the percentage of producer milk used in Class I was lowest, April, May, and June, the supply-demand adjustor reduced the Class I price 13, 20 and 30 cents. During the months of September, October and November, the period of highest Class I utilization, the supply-demand adjustor reduced the Class I price 42, 42 and 39 cents, respectively, or about twice the reduction effective earlier in the year.

The supply-demand provisions have also tended to cause relatively large month-to-month changes in the Class I price. During the three-month period of April–June 1961, the supply-demand adjustment went from —13 to —30 cents; and during the three-month period of October–December 1961, it went from —39 to —12 cents.

A new supply-demand adjustor which incorporates the half-cent rate of adjustment and a new table of standard utilization percentages would tend to eliminate the contraseasonal pricing and relatively large month-to-month adjustments. The supply-demand adjustor as proposed herein was recommended by the cooperative association representing the majority of the producers supplying the market. A 15-cent reduction in the Class I differential along with other changes affecting the Class I price should result in a level of returns to producers for milk used in Class I essentially identical to that which results from present provisions of the order. The cooperative association proposed a 10-cent reduction in the Class I differential to offset the supply-demand changes. The cooperative witness testified, however, that if a figure other than 10 cents was needed to retain the present Class I price level such other figure should be adopted.

A different adjustor was proposed by another representative of producers. That proposed adjustor would have raised the Class I price by about 23 cents and no plan was offered for making offsetting reductions in other pricing factors. Since the present Class I price level is obtaining an adequate supply of milk for the market the proposed adjustor which would effect an increase in the Class I price is denied.

9. *Butterfat differentials.* The butterfat differential formulas should not be changed and the present Class II butterfat differential formula should be used to compute both the Class II and Class III butterfat differentials.

Producers asked that the Class I butterfat differential rate be reduced from 0.135 times the wholesale butter price to 0.13 times such price. They proposed also

that the differential applicable to the uniform price be changed from a weighted average of the Class I and Class II butterfat differentials to a rate 0.13 times the butter price. The change in the method of computing the producer butterfat differential would result in a rate about the same as the weighted average when the Class I differential is computed at 0.135 times the butter price.

The average butterfat content of milk delivered by producers is about equal to the average butterfat content of whole milk sold. This balance has been achieved under the present butterfat pricing system. Changing the Class I differential rate without an accompanying change in the producer butterfat differential would tend to disrupt this balance.

The present Class II butterfat differential formula should be used to compute both the Class II and Class III butterfat differentials. The new Class II price is intended to reflect the higher value of skim milk used in that class. Hence, the butterfat differentials for both classes should be the same.

10. *Location differentials.* The proposal to change the location differentials applicable to Class I and uniform prices for milk received at plants located over 260 miles from Tucson, Arizona is denied. It was proposed that the rate be reduced from one cent to one-half cent for each additional 10 miles or fraction thereof.

Handlers and a producers' cooperative witness opposed the proposal, stating that the one-half cent rate does not properly reflect the cost of transporting milk. No evidence was entered showing that the one-half cent rate is indicative of current milk hauling costs. Since location differentials should approximate the actual costs of moving milk, this proposal is denied.

The schedule of location differentials should be revised to measure distances from the Maricopa and Graham County courthouses rather than from the City of Tucson in line with the proposal to announce basic prices at Phoenix. This revision should result in no changes in the applicable prices for plants now supplying the market.

11. *Price announcements.* The order prices are currently announced f.o.b. Tucson. The City of Phoenix and the adjacent cities of Mesa, Scottsdale, and Tempe have an aggregate population, according to the 1960 census, of 507,865. The City of Tucson has a population of 212,892. Phoenix is the population center of Arizona and accordingly is where the majority of the market milk sales are made. There are only two milk plants in Tucson whereas there are six pool plants located in Phoenix.

Announcing the price f.o.b. Phoenix, in lieu of Tucson, will not affect the level of price at either location. There is a 30-cent location differential between these two cities which results in a 30-cent lower price at Phoenix than at Tucson. This differential should be retained. This can be accomplished by establishing a basic zone price at Phoenix and a price 30 cents higher for plants located in Pima County (Tucson).

Location differentials for plans located other than in Phoenix, Safford, or Tucson, Arizona, should be determined according to the distance of the plant from Phoenix or Safford rather than from Tucson. Since Phoenix and Safford are about 125 miles from Tucson and are nearer potential milk supplies for the area, the schedule of location differentials should be adjusted to maintain about the same prices at distances measured from Phoenix and Safford as are presently established by the system of differentials measured from Tucson.

Handlers located in Phoenix and Safford presently have the same class prices. By determining location differentials from both of these locations this pricing relationship will continue. Tucson handlers have been required to pay their producers 30 cents more than Phoenix or Safford handlers. Accordingly, a separate pricing zone, 30 cents above the announced Phoenix price should be established for handlers in the Tucson area. This will preserve the pattern of location pricing which is effective under present provisions of the order.

12. *Miscellaneous.* The provisions which describe the obligations under the Central Arizona order of a plant which is also subject to regulation under another order issued pursuant to the Act should be clarified. This clarification should preserve the present application of such provisions.

A proposal to change the classification of shrinkage by changing the words in § 1131.41(b)(4)(v) from "other milk plants" to "other pool plants" was not supported. The proposal, therefore, is denied.

Rulings on proposed findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Rulings on exceptions. In arriving at the findings and conclusions, and the regulatory provisions of this decision, each of the exceptions received was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings and conclusions, and the regulatory provisions of this decision are at variance with any of the exceptions, such exceptions are hereby overruled for the reasons previously stated in this decision.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled respectively, "Marketing Agreement Regulating the Handling of Milk in the Central Arizona Marketing Area," and "Order Amending the Order Regulating the Handling of Milk in the Central Arizona Marketing Area," which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order as hereby proposed to be amended by the attached order which will be published with this decision.

Determination of representative period. The month of March 1962 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the attached order amending the order regulating the handling of milk in the Central Arizona marketing area, is approved or favored by producers, as defined under the terms of the order as hereby proposed to be amended, and who, during such representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

Signed at Washington, D.C., on May 16, 1962.

JOHN P. DUNCAN, Jr.,
Assistant Secretary.

Order[1] Amending the Order Regulating the Handling of Milk in the Central Arizona Marketing Area

§ 1131.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determi-

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

nations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Central Arizona marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered, That on and after the effective date hereof, the handling of milk in the Central Arizona marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as hereby amended, and the aforesaid order is hereby amended as follows:

The provisions of the proposed marketing agreement and order amending the order contained in the recommended decision issued by the Assistant Secretary, on April 20, 1962, and published in the FEDERAL REGISTER on April 25, 1962 (27 F.R. 3923; F.R. Doc. 62-4050) shall be and are the terms and provisions of this order, and are set forth in full herein subject to the following revisions: Changes made in § 1131.41 (b) and (c).

1. Change that part of § 1131.8 which precedes paragraph (a) to read as follows:

§ 1131.8 Pool plant.

"Pool plant" means any milk plant, except the plant of a producer-handler or a plant exempt pursuant to § 1131.61:

2. Change § 1131.11 to read as follows:

§ 1131.11 Producer-handler.

(a) "Producer-handler" means any person who is both a dairy farmer and the operator of a plant from which fluid milk products are disposed of on routes in the marketing area, but who receives no milk from other dairy farmers or from any source other than a pool plant and who does not receive from pool plants an amount representing more than 5 percent of his total Class I utilization for the month: *Provided,* That such person provides proof satisfactory to the market administrator that (1) the maintenance, care and management of all the dairy animals and other resources necessary to produce the entire amount of milk handled (other than that received from pool plants) is the personal enterprise of and at the personal risk of such person in his capacity as a producer, and (2) the operation of such plant is the personal enterprise of and at the personal risk of such person in his capacity as a handler.

(b) A governmental agency which operates a milk plant shall be considered a producer-handler: *Provided,* That the plant operated by such agency shall be a pool plant if bulk milk is delivered during the month by such governmental agency to another plant which is a pool plant and a written request is filed by the agency with the market administrator asking that its plant be considered a pool plant. If such a plant is made a pool plant at the request of the governmental agency for one month and thereafter resumes the status of a nonpool plant it shall not be elegible for pool plant status again until it has been a nonpool plant for 12 consecutive months.

§ 1131.22 [Amendment]

3. Change § 1131.22(k) (1) and (2) and add (3) to read as follows:

(1) The 6th day of each month, the Class I price and butterfat differential for the current month;

(2) The 6th day of each month, the Class II and Class III prices and the butterfat differentials for the preceding month; and

(3) The 11th day of each month, the uniform price, and the producer butterfat differential, both for the preceding month.

4. Change § 1131.41 as follows:

§ 1131.41 Classes of utilization.

Subject to the conditions set forth in § 1131.42 through § 1131.45, the classes of utilization shall be as follows:

(a) *Class I milk.* Class I milk shall be all skim milk (including reconstituted and concentrated nonfat milk solids) and butterfat:

(1) Disposed of in the form of a fluid milk product except:

(i) Any product fortified with added nonfat milk solids shall be Class I in an amount equal only to the weight of an equal volume of milk, skim milk, or cream of the same butterfat content; and

(ii) Any product classified pursuant to paragraphs (b) (2) and (c) (3) of this section; or

(2) Not specifically accounted for as Class II or as Class III.

(b) *Class II milk.* Class II milk shall be all skim milk and butterfat:

(1) Contained in fluid milk products used to produce cottage cheese except as classified pursuant to paragraph (c) (3) of this section; and

(2) Disposed of in fluid milk products in bulk form (minimum 5 gallons) to any commercial food processing establishment for use in food products prepared for consumption off the premises.

(c) *Class III milk.* Class III milk shall be all skim and butterfat:

(1) Used to produce any product other than a fluid milk product or a Class II product;

(2) Contained in inventories of fluid milk products on hand at the end of the month;

(3) Skim milk disposed of in the form of fluid milk products or cottage cheese for livestock feed;

(4) The weight of skim milk in fluid milk products which is excepted from Class I milk pursuant to subdivision (a) (1) (i) of this section;

(5) In shrinkage of skim milk and butterfat, respectively, not to exceed the following:

(i) Two percent of receipts of producer milk described in § 1131.13(a) (1); plus

(ii) 1.5 percent of receipts from a cooperative association in its capacity as a handler pursuant to § 1131.10(c), except that if the handler operating the pool plant files with the market administrator notice that he is purchasing such milk on the basis of farm weights determined by farm bulk tank calibrations, the applicable percentage shall be 2 percent; plus

(iii) 1.5 percent of receipts in bulk tank lots from pool plants of other handlers; plus

(iv) 2 percent of bulk receipts of other source milk in the form of fluid milk products; less

(v) 1.5 percent of disposition in bulk tank lots from pool plants to other milk plants; and plus

(vi) 0.5 percent of receipts of producer milk by a cooperative association which is the handler pursuant to § 1131.10(c), unless the exception provided in subdivision (ii) of this subparagraph applies: *Provided,* That if shrinkage of skim milk or butterfat is less than such total there shall be assigned to other source milk the proportion of total shrinkage that the result computed pursuant to subdivision (iv) of this subparagraph bears to the total computed pursuant to subdivisions (i) through (vi) of this subparagraph and the remainder shall be assigned to producer milk; and

(6) In nonfluid milk products used to produce cottage cheese.

§ 1131.42 [Amendment]

5. Delete the period at the end of § 1131.42 and add the following: "or as Class III milk."

6. Change § 1131.43 to read as follows:

§ 1131.43 Transfers.

(a) Skim milk and butterfat transferred to a pool plant of another handler in the form of fluid milk products shall be classified so as to result in the

maximum assignment of producer milk of both handlers to the highest value use classification of the producer milk of both handlers. Except as provided in paragraph (f) of this section skim milk and butterfat shall be classified to the highest value use classification unless the operators of both plants claim utilization thereof in another class in their reports submitted pursuant to § 1131.30: *Provided,* That the skim milk or butterfat so assigned to Class II or Class III shall be limited to the respective amounts thereof remaining at the pool plant(s) of the receiving handler after the computation pursuant to § 1131.45(a)(5) and the corresponding step of (b);

(b) Skim milk and butterfat transferred to the plant of a producer-handler in the form of fluid milk products shall be classified as Class I milk;

(c) Skim milk and butterfat transferred to a nonpool plant in the form of fluid milk products in consumer packages shall be classified as Class I milk;

(d) Skim milk and butterfat diverted or transferred in bulk as milk, skim milk or cream to a nonpool plant located in the marketing area or in Imperial County, California, shall be classified as Class I milk, unless:

(1) The handler claims classification in another class in his report filed with the market administrator pursuant to § 1131.30 for the month within which such transfer occurred;

(2) The operator of the nonpool plant maintains books and records showing the utilization of all skim milk and butterfat received at such plant and the market administrator is permitted to examine such books and records for purposes of verification; and

(3) Not less than an equivalent amount of skim milk and butterfat was actually utilized (including as Class III utilization any cream moved under the conditions specified in paragraph (e)(2) and (3) of this section) in the use indicated in such report in the nonpool plant or in a second such nonpool plant to which a transfer was made: *Provided,* That if it is found that an equivalent amount of skim milk and butterfat was not actually utilized in such first or second nonpool plant(s) during the month in the use indicated, the pounds transferred in excess of such actual use shall be classified as Class I milk;

(e) Skim milk and butterfat diverted or transferred in bulk as milk, skim milk or cream to a nonpool plant located outside the marketing area and not in Imperial County, California, shall be classified as Class I milk, except that cream so transferred may be classified as Class III if (1) the handler claims classification as Class III milk in his report filed with the market administrator pursuant to § 1131.30 for the month within which such transfer is made, (2) the handler attaches tags or labels to each container of such cream bearing the words "Grade C cream for manufacturing use only" and the shipment is so invoiced, and (3) the handler gives the market administrator sufficient notice to allow him to verify the shipment; and

(f) Unless a different utilization is claimed by both handlers, skim milk and butterfat transferred to the pool plant of another handler by a cooperative association which is the handler pursuant to § 1131.10(c) or which operates a pool plant described in § 1131.8(c) shall be classified pro rata to the respective amounts thereof remaining in each class for such month at the pool plant(s) of the receiving handler after the computations pursuant to § 1131.45(a)(6) and the corresponding step of (b).

§ 1131.44 [Amendment]

7. In § 1131.44 change the words "Class I milk and Class II milk" to "Class I milk, Class II milk and Class III milk".

§ 1131.45 [Amendment]

8. In § 1131.45(a) (1), (2), (3), (5), and (8) change "Class II" wherever it appears to "Class III".

9. In § 1131.45(a)(1) change "§ 1131.41 (b)" to "§ 1131.41(c)(5)".

10. Change § 1131.45(a)(4) to read as follows:

(4) Subtract from the pounds of skim milk remaining in each class, in series beginning with Class III, the pounds of skim milk contained in inventory of fluid milk products on hand at the beginning of the month;

11. Change § 1131.50 to read as follows:

§ 1131.50 Basic formula price.

The basic formula price shall be the average price per hundredweight for manufacturing grade milk, f.o.b. plants in Wisconsin and Minnesota, as reported by the United States Department of Agriculture for the month. Such price shall be adjusted to a 3.5 percent butterfat basis by a butterfat differential rounded to the nearest one-tenth cent computed at 0.12 times the Chicago butter price for the month. The basic formula price shall be rounded to the nearest full cent.

§ 1131.51 [Amendment]

12. Change that part of § 1131.51(a) which precedes subparagraph (1) to read as follows:

(a) *Class I milk price.* The price for Class I milk shall be the basic formula price for the preceding month plus $2.30 and shall be increased or decreased by a "supply-demand adjustment" of not more than 50 cents computed as follows:

13. Change the table of standard utilization percentages in § 1131.51(a)(2)(iii) as follows:

Month for which price applies	Months used in computation	Standard utilization percentages	
		Minimum	Maximum
January	October–November	113	120
February	November–December	115	122
March	December–January	116	123
April	January–February	116	123
May	February–March	117	124
June	March–April	117	124
July	April–May	118	125
August	May–June	118	125
September	June–July	116	123
October	July–August	114	121
November	August–September	113	120
December	September–October	113	120

14. In § 1131.51(a)(3) change the words "one cent" wherever they appear to "one-half cent".

15. In § 1131.51(a)(3) add subdivision (iv) as follows:

(iv) Less one-half cent, if necessary, to round down to a whole cent.

16. Change § 1131.51(b) and add (c) to read as follows:

(b) *Class II milk price.* The price for Class II milk shall be the Class III price for the month, plus 15 cents.

(c) *Class III milk price.* The price for Class III milk shall be computed by adding together the plus values of subparagraphs (1) and (2) of this paragraph:

(1) From the Chicago butter price, subtract 3 cents, add 20 percent thereof, and multiply by 3.5.

(2) From the simple average as computed by the market administrator of the weighted averages of the carlot prices per pound for nonfat dry milk, spray and roller process, respectively, for human consumption, f.o.b. manufacturing plants in the Chicago area, as published for the period from the 26th day of the immediately preceding month through the 25th day of the current month by the Department deduct 5.5 cents, multiply by 8.5, and then multiply by 0.965.

17. Change § 1131.52 to read as follows:

§ 1131.52 Butterfat differentials to handlers.

For milk containing more or less than 3.5 percent butterfat, the class prices calculated pursuant to § 1131.51 shall be increased or decreased, respectively, for each one-tenth percent butterfat at the appropriate rate, rounded to the nearest one-tenth cent, determined as follows:

(a) *Class I price.* Multiply the Chicago butter price for the preceding month by 0.135;

(b) *Class II price.* Multiply the Chicago butter price for the current month by 0.115; and

(c) *Class III price.* Multiply the Chicago butter price for the current month by 0.115.

18. Change § 1131.53 to read as follows:

§ 1131.53 Location differentials to handlers.

(a) For milk received from producers at a pool plant located outside Pima County and more than 30 miles by the shortest highway distance, as determined by the market administrator, from the county courthouses in Maricopa and Graham Counties, Arizona, whichever is nearer and which is classified as Class I milk, the price computed pursuant to § 1131.51(a) shall be reduced by 10 cents if such plant is located not more than 130 miles from the Maricopa or Graham County courthouses, whichever is nearer, and by an additional cent for each 10 miles or fraction thereof that such distance calculated from the Maricopa or Graham County courthouses, whichever is nearer, exceeds 130 miles;

(b) For milk received from producers at a plant located in Pima County and which is classified as Class I milk, the

price computed pursuant to § 1131.51(a) shall be increased 30 cents.

19. Change § 1131.61 to read as follows:

§ 1131.61 Plants subject to other Federal orders.

A plant specified in paragraph (a) or (b) of this section shall be exempted from all the provisions of this part, except that the operator of such plant shall, with respect to total receipts and utilization or disposition of skim milk and butterfat at the plant, make reports to the market administrator at such time and in such manner as the market administrator may require and allow verification of such reports by the market administrator:

(a) Any plant qualified pursuant to § 1131.8(a) which disposes of a lesser volume of Class I milk in the Central Arizona marketing area than in a marketing area where the handling of milk is regulated pursuant to another order issued pursuant to the Act, and which is subject to the classification and pricing provisions of such other order is exempted; and

(b) Any plant qualified pursuant to § 1131.8(b) for any portion of the period November through June, inclusive, that the milk of producers at such plant is subject to the classification and pricing provisions of another order issued pursuant to the Act and the Secretary determines that such plant should be exempted from this part.

20. Change that part of § 1131.62 which precedes paragraph (a) to read as follows:

§ 1131.62 Handler operating a nonpool plant.

In lieu of the payments required pursuant to § 1131.80 through § 1131.86, each handler, except a producer-handler or a handler exempt pursuant to § 1131.61, who operates during the month a nonpool plant from which is disposed of in the marketing area on a route(s) Class I milk in an amount greater than an average of 600 pounds per day, shall pay to the market administrator on or before the 25th day after the end of the month, the amounts calculated pursuant to paragraph (a) of this section unless the handler elects at the time of reporting pursuant to § 1131.30 to have his obligations computed pursuant to paragraph (b) of this section;

21. In § 1131.62(b)(1) change the words "Class II" to "Class III".

22. Change § 1131.70 as follows:

§ 1131.70 Computation of the value of producer milk for each handler.

For each month, the market administrator shall compute the value of producer milk for each handler as follows:

(a) Multiply the quantity of producer milk in each class computed pursuant to § 1131.45 by the applicable class price, and total the resulting amounts;

(b) Add the amount computed by multiplying the pounds of any overage deducted from each class pursuant to § 1131.45 (a)(8) and (b) by the applicable class price;

(c) Add the amounts computed under subparagraphs (1) and (2) of this paragraph:

(1) Multiply the difference between the applicable Class III price for the preceding month and the applicable Class I price for the current month by the pounds of skim milk and butterfat remaining in Class III after the calculations pursuant to § 1131.45 (a)(4) and (b) for the preceding month, or the pounds of skim milk and butterfat subtracted from Class I milk pursuant to § 1131.45 (a)(4) and (b) for the current month whichever is less; and

(2) Multiply the difference between the applicable Class III price for the preceding month and the Class II price for the current month by the pounds of skim milk and butterfat remaining in Class III milk after the calculations pursuant to § 1131.45 (a)(4) and (b) for the preceding month, less that subtracted from Class I pursuant to § 1131.45 (a)(4) and (b), or the pounds of skim milk and butterfat, subtracted from Class II milk pursuant to § 1131.45 (a)(4) and (b) for the current month, whichever is less; and

(d) Add the amount computed by multiplying the hundredweight of other source milk subtracted from Class I milk pursuant to § 1131.45 (a)(2) and (b) by the difference between the Class III price and the Class I price each adjusted by the respective butterfat differential.

§ 1131.71 [Amendment]

23. In § 1131.71 change "3.8 percent" wherever it appears to "3.5 percent".

24. Change § 1131.71(c) and add (d) to read as follows:

(c) Add an amount equal to the sum of the deductions to be made from producer payments for location differentials computed pursuant to § 1131.73(a);

(d) Subtract an amount equal to the sum of the amounts to be added to producer payments for location differentials computed pursuant to § 1131.73(b);

25. Renumber §§ 1131.71(d), 1131.71(e), and 1131.71(f) as §§ 1131.71(e), 1131.71(f), and 1131.71(g).

§ 1131.72 [Amendment]

26. In § 1131.72 change "3.8 percent" to "3.5 percent".

27. Change § 1131.73 to read as follows:

§ 1131.73 Location differential to producers.

The applicable uniform prices computed pursuant to § 1131.71 to be paid for producer milk received at a plant located 30 miles or more from the Maricopa or Graham County courthouse, whichever is nearer, as determined by the market administrator, shall be:

(a) Decreased according to the location of the plant where such milk was received at the applicable rates set forth in § 1131.53(a); and

(b) Increased in the case of milk received at plants located in Pima County at the rate set forth in § 1131.53(b).

§ 1131.80 [Amendment]

28. In §§ 1131.80(a)(1) and 1131.80(d)(1) change "Class II price" where it appears to "Class III price".

[F.R. Doc. 62-4576; Filed, May 18, 1962; 8:47 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Parts 3, 4b]

[Reg. Docket No. 1206; Draft Release No. 62-23]

AIRPLANE AIRWORTHINESS; NORMAL, UTILITY, ACROBATIC, AND TRANSPORT CATEGORIES

Notice of Proposed Rule Making

Pursuant to the authority delegated to me by the Administrator (14 CFR 405.27), notice is hereby given that there is under consideration a proposal to amend Parts 3 and 4b of the Civil Air Regulations as hereinafter set forth.

Interested persons may participate in the making of the proposed rules by submitting such written data, views, or arguments as they may desire. Communications should be submitted in duplicate to the Docket Section of the Federal Aviation Agency, Room C-226, 1711 New York Avenue NW., Washington 25, D.C. All communications received on or before July 19, 1962, will be considered by the Administrator before taking action upon the proposed rules. The proposals contained in this notice may be changed in the light of comments received. All comments submitted will be available in the Docket Section for examination by interested persons at any time.

Part 3 of the Civil Air Regulations was promulgated, effective November 13, 1945, and was applicable to all normal, utility, and acrobatic category airplanes, irrespective of their weight or performance. Part 4b was made effective on November 9, 1945, and was applicable to all transport category airplanes, irrespective of their weight or performance. A demarcation was thus drawn between airplanes intended to be used as transport category airplanes by air carriers or commercial operators, and other airplanes intended for general aviation use.

In 1953, the Civil Aeronautics Board, then having rule making jurisdiction in this instance, found it necessary to narrow the distinction made between the transport category, and normal, utility, and acrobatic categories. By Amendment 3-10, effective May 16, 1953, the Board restricted applicability of Part 3 to airplanes having a maximum weight of 12,500 pounds or less. In the preamble of that amendment the Board stated in part: "In recent years considerable study has been devoted to Part 3 with respect to its applicability to large airplanes. These studies, in the light of past experience, indicate that Part 3 with the various changes made to it during recent years would not result in an acceptable level of safety for future designs of relatively large airplanes irrespective of their use. Therefore, section

3.0 is amended to limit the future applicability of Part 3 to airplanes having a maximum weight of 12,500 pounds or less." The Board thus held that the inherent characteristics of large airplanes carried them outside the standard set in Part 3 as the minimum required in the interest of safety.

The Flight Standards Service has found that, apart from characteristics associated with weight, Part 3 airplanes, since 1953, have reflected substantial technological development in the direction of increased performance, utility, and general sophistication. The increasing use of turbine engines to propel these airplanes has definitely accelerated this development and has resulted in airplanes capable of operating at very high speeds and altitudes. The Flight Standards Service believes that modern high performance airplanes have characteristics going beyond those envisaged originally in the application of Part 3 and for this reason Part 3 does not establish for such airplanes the minimum airworthiness standards required in the interest of safety.

Standards for cabin pressurization, fatigue strength determinations, control surface loads, temperature and altitude accountability in performance determinations, takeoff and balked landing performance capability, gust criteria, compressibility effects, are all examples of areas where presently effective Part 3 does not provide adequate or definitive standards with respect to the capabilities of modern high performance airplanes. An attempt was made to bring Part 3 up to date with respect to strength requirements by proposing several amendments of the structure provisions, as published in Draft Release No. 61–12. Comments made on that draft release indicated, however, that the proposed amendments might be, in certain respects, premature and they were deferred for further study. Irresolution of the issues involved makes even more pressing an expression of standards appropriate to the speed, altitude, and maneuverability characteristics of small airplanes, particularly those incorporating turbine engines.

It is proposed, therefore, to amend Part 3 by further restricting its applicability to exclude not only those airplanes which have a maximum weight exceeding 12,500 pounds, but also those airplanes weighing more than 6,000 pounds which have a design diving speed corresponding with a Mach number exceeding 0.65 or which have a maximum operating altitude exceeding 25,000 feet. In connection with the proposed altitude restriction, it is also proposed to require the establishment of a maximum operating altitude as an operating limitation.

The proposal to limit the applicability of Part 3 may result in high performance airplanes in the 6,000 to 12,500-pound weight range being certificated under Part 4b requirements. In recognition of the fact that airplanes in the lower weight range can generally be maneuvered more abruptly than large airplanes, the strength requirements for the normal category specify the maneuver lead factor as an inverse function of the maximum weight of the airplane. Part 4b, on the other hand, specifies a minimum maneuver load factor of 2.5 regardless of the airplane weight. In the past only one airplane type of less than 12,500 pounds maximum weight has been certificated under Part 4b.

In order to provide appropriate maneuvering strength requirements for smaller airplanes which might nevertheless be certificated in accordance with Part 4b, it is proposed to amend § 4b.211 to incorporate the same maneuver load factor formula as now prescribed in Part 3 for the normal category. This would result in a slight increase in load factor for airplanes in the 30,000-pound weight range, and no increase for airplanes weighing more than 50,000 pounds. It is also proposed to amend § 4b.210(c)(1) to make it consistent with the proposal for § 4b.211.

While certain airplanes previously covered by Part 3 might be certificated in accordance with the transport category requirements of Part 4b under this proposal, it should be noted that this does not mean that they would be required to comply with requirements which are applicable to transport category airplanes used in air carrier operation. Certain airworthiness rules have been adopted, which are specifically applicable in air transportation, by amending the air carrier operation parts to include specific provisions relating, for example, to performance operating limitations, airframe surface ice protection, oxygen requirements, ditching and flight and navigational equipment. Corresponding and implementing provisions in Part 4b are mandatory for airplanes operated in accordance with air carrier operation rules but are otherwise optional for basic type certification. A distinction has been made, therefore, between the use of transport category airplanes by air carriers or other operators subject to the air carrier operating rules and by other persons who are not subject to those rules.

The effect of this proposal is to make Part 4b applicable to airplanes operating at relatively high speeds and altitudes. In this connection, such airplanes would also have to comply with the applicable SR–422 series regulations if they were equipped with turbine engines.

Under this proposal the amendments of Parts 3 and 4b would apply to all airplanes certificated under those parts after the effective date of these amendments, regardless of the date of application for type certificate, by appropriate amendments of §§ 3.11 and 4b.210.

In consideration of the foregoing, it is proposed to amend Parts 3 and 4b of the Civil Air Regulations (14 CFR Parts 3 and 4b, as amended) as follows:

1. By amending § 3.0 to read as follows:

§ 3.0 Applicability of this part.

This part establishes standards with which compliance shall be demonstrated for the issuance of and changes to type certificates for normal, utility, and acrobatic category airplanes. Type certification in accordance with this part shall be limited to:

(a) Airplanes of 12,500 pounds maximum weight or less, which do not have a design dive speed exceeding a value corresponding with a Mach number of 0.65;

(b) Airplanes of 12,500 pounds maximum weight or less, which do not have a maximum operating altitude exceeding 25,000 feet; and

(c) Airplanes of 6,000 pounds maximum weight or less, regardless of their design dive speed and maximum operating altitude.

2. By amending § 3.11 by adding a new paragraph (f) to read as follows:

§ 3.11 Designation of applicable regulations.

* * * * *

(f) The provisions of §§ 3.0, 3.737, 3.751, and 3.778, as amended effective ----------, shall be applicable to all airplanes certificated after that date regardless of the date of application for type certificate.

§ 3.737 [Amendment]

3. By Amending § 3.737 by deleting the number "3.750" and inserting in lieu thereof the number "3.751."

4. By adding a new § 3.751 to read as follows:

§ 3.751 Maximum operating altitude.

A maximum operating altitude shall be established up to which operation is permitted, as limited by flight, structural, powerplant, functional, or equipment characteristics.

5. By Amending § 3.778 by adding a new paragraph (h) to read as follows:

§ 3.778 Operating limitations.

* * * * *

(h) *Maximum operating altitude.* The altitude established in accordance with § 3.751 shall be included, together with an explanation of the limiting factors.

6. By amending § 4b.210(c)(1)(i) to read as follows:

§ 4b.210 General.

* * * * *

(c) *Design fuel and oil loads.* * * *

(1) * * *

(i) For airplanes certificated after ----------, a positive maneuver load factor of not less than 90 percent of the value prescribed in § 4b.211(a)(1).

7. By amending § 4b.211 by deleting paragraph (a) (1) and (2) and inserting in lieu thereof:

§ 4b.211 Flight envelopes.

* * * * *

(a) *Maneuvering load factors.* * * *

(1) The positive maneuvering load factor, n, for any flight speed up to V_D shall not be less than the value determined by the following equation, except that n need not be greater than 3.8 and shall not be less than 2.5:

$$n=2.1+\frac{24{,}000}{W+10{,}000};$$

where W is the design takeoff weight.

(2) The negative maneuvering load factor shall have a magnitude of not less than $-0.4n$ at all speeds up to V_C, varying linearly with speed from the value at V_C to zero at V_D.

These amendments are proposed under the authority of sections 313(a), 601, and 603 of the Federal Aviation Act of 1958 (72 Stat. 752, 775, 776; 49 U.S.C. 1354, 1421, 1423).

Issued in Washington, D.C., on May 14, 1962.

G. S. MOORE,
Acting Director,
Flight Standards Service.

[F.R. Doc. 62-4849; Filed, May 18, 1962; 8:45 a.m.]

Notices

HOUSING AND HOME FINANCE AGENCY

Office of the Administrator

CERTAIN OFFICIALS

Designation of Acting Community Facilities Commissioner

The officers appointed to the following listed positions in the Community Facilities Administration, Housing and Home Finance Agency, are hereby designated to serve as Acting Community Facilities Commissioner, with all the powers, functions, and duties delegated or assigned to the Commissioner, provided that no officer is authorized to serve as Acting Community Facilities Commissioner unless all other officers whose titles precede his in this designation are unable to act by reason of absence:

1. Deputy Community Facilities Commissioner.
2. Assistant Commissioner (Operations and Standards).
3. Assistant Commissioner (Program Planning).
4. Chief Counsel, CFA.
5. Director, Administrative Management Division.

This designation supersedes the designation of Acting Community Facilities Commissioner effective October 27, 1961 (26 F.R. 10115, 10/27/61).

(62 Stat. 1283 (1948), as amended by 64 Stat. 80 (1950), 12 U.S.C. 1701c)

Effective as of the 19th day of May 1962.

[SEAL] ROBERT C. WEAVER,
Housing and Home Finance Administrator.

[F.R. Doc. 62-4867; Filed, May 18, 1962; 8:46 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Research Service

IDENTIFICATION OF CARCASSES OF CERTAIN HUMANELY SLAUGHTERED LIVESTOCK

Supplemental List of Humane Slaughterers

Pursuant to section 4 of the Act of August 27, 1958 (7 U.S.C. 1904) and the statement of policy thereunder in 9 CFR Part 181.1 the following table lists additional establishments operated under Federal inspection under the Meat Inspection Act (21 U.S.C. 71 et seq.) which have been officially reported as humanely slaughtering and handling the species of livestock respectively designated for such establishments in the table. This list supplements the lists previously published under the Act (27 F.R. 4212 and 4598) for April and represents those establishments and species which were reported too late to be included in the earlier lists or which have come into compliance with respect to species indicated since the completion of the reports on which the earlier lists were based. The establishment number given with the name of the establishment is branded on each carcass of livestock inspected at that establishment. The table should not be understood to indicate that all species of livestock slaughtered at a listed establishment are slaughtered and handled by humane methods unless all species are listed for that establishment in the table. Nor should the table be understood to indicate that the affiliates of any listed establishment use only humane methods:

Name of establishment	Establishment No.	Cattle	Calves	Sheep	Goats	Swine	Horses
Armour and Co.	2B	(*)	(*)			(*)	
Swift and Co.	3A	(*)	(*)	(*)		(*)	
Do.	3UU	(*)	(*)	(*)		(*)	
John Morrell and Co.	17	(*)				(*)	
Wilson and Co., Inc.	20A	(*)				(*)	
Kenton Packing Co.	36	(*)					
Minchs Wholesale Meats, Inc.	72	(*)	(*)	(*)		(*)	
Hill Packing Co.	83E						(*)
Armour and Co.	100	(*)	(*)	(*)			
West Coast Meat Co., Inc.	117	(*)	(*)	(*)		(*)	
R. B. Rice Sausage Co., Inc.	144					(*)	
Kansas City Dressed Beef Co.	156	(*)					
Missouri Farmers Assn., Packing Division.	159	(*)				(*)	
Do.	159A	(*)					
George A. Hormel & Co.	199A	(*)					
Walti Schilling and Co., Inc.	235	(*)		(*)			
Solano Meat Co.	285	(*)	(*)	(*)			
San Jose Meat Co.	291	(*)	(*)	(*)			
Turlock Meat Co.	325	(*)	(*)	(*)			
Midland Empire Packing Co., Inc.	339	(*)					
Marks Meat Co.	362	(*)					
James Allan and Sons.	365	(*)		(*)	(*)	(*)	
Westport Packing Corp.	369	(*)					
Oldhams Farm Sausage Co., Inc.	392					(*)	
Watsonville Dressed Beef, Inc.	398	(*)	(*)				
Superior Packing Co.	399	(*)					
Los Banos Abattoir	400	(*)	(*)				
Alpine Packing Co.	412	(*)	(*)	(*)		(*)	
Del Curto Meat Co.	445	(*)	(*)	(*)		(*)	
Pioneer Boneless Beef, Inc.	461	(*)					
Eldridge Packing Co.	478	(*)					
Swift and Co.	505	(*)					
Mid South Packers, Inc.	557	(*)				(*)	
Stahl Meyer, Inc.	583	(*)					
Pierce Packing Co., Inc.	691	(*)				(*)	
Mid State Meat Co.	741	(*)	(*)				
Sheridan Meat Co., Inc.	768	(*)				(*)	
J. H. Ruth Packing Co.	818					(*)	
Berchems Meat Co.	830	(*)					
John Morrell and Co.	836	(*)					
Vermont Dressed Beef Co., Inc.	883	(*)					
Sambol Packing Co.	892	(*)					
Peoples Packing Co.	925	(*)	(*)	(*)	(*)	(*)	
Reitz Meat Products Co.	933	(*)				(*)	
Valley Meat Co.	1,009	(*)	(*)	(*)			

45 establishments reported.

Done at Washington, D.C., this 11th day of May 1962.

R. K. SOMERS,
Acting Director, Meat Inspection Division, Agricultural Research Service.

[F.R. Doc. 62-4838; Filed, May 18, 1962; 8:45 a.m.]

Agricultural Marketing Service

ALICEVILLE SALE BARN ET AL.

Proposed Posting of Stockyards

The Chief of the Rates and Registrations Branch, Packers and Stockyards Division, Agricultural Marketing Service, United States Department of Agriculture, has information that the livestock markets named below are stockyards as defined in section 302 of the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 202), and should be made subject to the provisions of the act.

Aliceville Sale Barn, Aliceville, Ala.
Chatham Livestock Co., Savannah, Ga.
Pratt Livestock Commission Co., Pratt, Kans.
Savannah Sale Co., Savannah, Mo.
Niagara Frontier Stock Yards, Inc., Buffalo, N.Y.
Wickhams Commission Auction, Ovid, N.Y.
Avery County Livestock Co., Spruce Pine, N.C.
North Texas Livestock Commission Co., Whitesboro, Tex.
Davenport Livestock Auction, Inc., Davenport, Wash.

Notice is hereby given, therefore, that the said Chief, pursuant to authority delegated under the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), proposes to issue a rule designating the stockyards named above as posted stockyards subject to the provisions of the act, as provided in section 302 thereof.

Any person who wishes to submit written data, views, or arguments concerning the proposed rule may do so by filing them with the Chief, Rates and Registrations Branch, Packers and Stockyards Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D.C., within 15 days after publication hereof in the FEDERAL REGISTER.

Done at Washington, D.C., this 11th day of May 1962.

JOHN R. BRANNIGAN,
Acting Chief, Rates and Registrations Branch, Packers and Stockyards Division, Agricultural Marketing Service.

[F.R. Doc. 62-4873; Filed, May 18, 1962; 8:47 a.m.]

CYPRESS AUCTION YARD ET AL.

Deposting of Stockyards

It has been ascertained, and notice is hereby given, that the livestock markets named herein, originally posted on the respective dates specified below as being subject to the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), no longer come within the definition of a stockyard under said act and are, therefore, no longer subject to the provisions of the Act.

Name, Location of Stockyard, and Date of Posting

Cypress Auction Yard, Cypress, Calif., September 4, 1958.
Tallula Cattle Co., Tallula, Ill., November 18, 1959.
Glen Miller Community Sale, Richmond, Ind., April 22, 1959.
Danner's Sales Pavilion, Burlington, Kans., May 12, 1961.
Kings Dairy Replacement Auction, Kingston, Mich., June 20, 1960.
Empire Livestock Marketing Cooperative, Inc., West Winfield, N.Y., August 8, 1960.
Davenport Livestock Auction Co., Davenport, Wash., October 13, 1959.

The owners of the Davenport Livestock Auction Co., Davenport, Wash., have constructed a new stockyard in another location and notice of proposed posting of the new market will be issued.

Notice or other public procedure has not preceded promulgation of the foregoing rule since it is found that the giving of such notice would prevent the due and timely administration of the Packers and Stockyards Act and would, therefore, be impracticable and contrary to the public interest. There is no legal warrant or justification for not depositing promptly a stockyard which is no longer within the definition of that term contained in the act.

The foregoing is the nature of a rule granting an exemption or relieving a restriction and, therefore, may be made effective in less than 30 days after publication in the FEDERAL REGISTER. This notice shall become effective upon publication in the FEDERAL REGISTER.

(42 Stat. 159, as amended and supplemented; 7 U.S.C. 181 et seq.)

Done at Washington, D.C., this 9th day of May 1962.

JOHN R. BRANNIGAN,
Acting Chief, Rates and Registrations Branch, Packers and Stockyards Division, Agricultural Marketing Service.

[F.R. Doc. 62-4874; Filed, May 18, 1962; 8:47 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-191]

BABCOCK AND WILCOX CO.

Notice of Issuance of Utilization Facility License

Please take notice that no request for a formal hearing having been filed following publication of the notice of proposed action in the FEDERAL REGISTER on December 2, 1961, 26 F.R. 11462, the Atomic Energy Commission has issued Utilization Facility License No. CX-19 which authorizes The Babcock and Wilcox Company to operate the critical experiment facility which it has designated as the "Advanced Test Reactor Critical Experiment" and which is situated in the licensee's Critical Experiment Laboratory located near Lynchburg, Virginia. The license is substantially as published except that the description of the reactor has been changed to authorize (1) a slight increase in the amount of uranium-235 in each fuel element, (2) the use of hafnium rather than boron as the draw rod material, (3) the use of fuel rods $\frac{3}{16}$ inches rather than $\frac{1}{8}$ inches in diameter to mock-up the fuel in the experimental loops and (4) the use of boron-loaded plastic tape with a minimum thickness of 0.001 inches rather than 0.005 inches.

The Commission has reviewed these matters and has concluded that operation of the reactor, changed as proposed, in accordance with the terms and conditions of License No. CX-19 will not present an undue hazard to the health and safety of the public and will not be inimical to the common defense and security.

In view of the changes in the license from that which was published on December 2, 1961 the Commission will, in accordance with its rules of practice (10 CFR Part 2), direct the holding of a formal hearing on the matter of the issuance of License No. CX-19 upon receipt of a request therefor from the licensee or a petition to intervene within 15 days after the publication of this notice in the FEDERAL REGISTER. Petitions for leave to intervene and requests for a formal hearing shall be filed by mailing a copy to the Office of the Secretary, Atomic Energy Commission, Washington 25, D.C., or by delivery of a copy in person to the Office of the Secretary, Germantown, Maryland, or the Commission's Public Document Room, 1717 H Street NW., Washington, D.C.

For further details see the letter dated February 14, 1962, submitted by the licensee describing the changes, which is available for public inspection at the Commission's Public Document Room.

Dated at Germantown, Md., this 14th day of May 1962.

For the Atomic Energy Commission.

ROBERT H. BRYAN,
Chief, Research and Power Reactor Safety Branch, Division of Licensing and Regulation.

[F.R. Doc. 62-4868; Filed, May 18, 1962; 8:46 a.m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

WALTER REINHARDT

Amended Notice of Intention to Return Vested Property

The Notice of Intention to Return Vested Property to Adele Reinhardt, Vienna, Austria, which was published in the FEDERAL REGISTER on June 26, 1954 (19 F.R. 3921), is hereby amended in its entirety to read as follows:

Pursuant to section 32(f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Walter Reinhardt, Eckpergasse 28, Vienna 18, Austria; $52.18 in the Treasury of the United States. An undivided 25% interest in all right, title, interest and claim of whatsoever kind or nature in and to every copyright, claim of copyright and right to copyright, license, agreement, privilege, power, and right of whatsoever nature, including, but not limited to all monies and amounts, by way of royalty, share of profits or other emolument, and all causes of action accrued or to accrue, relating to the works described below, as listed in Exhibit A to Vesting Order No. 1758 (9 F.R. 13773, November 17, 1944) to the extent owned by Adele Reinhardt immediately prior to the vesting thereof by Vesting Order No. 1758: "Two Little Love Bees" (Bienchen-Duett), "Day Dreams" (Du Hast Mich Braubert), "Spring Maid Waltz" (Sprudelfee Walzer), "Spring Maid Selection" (Spruderlfee Potpourri), "Spring Maid Vocal Score" (Sprudelfee-Klavier Auszug mit Text), "Loving Cup" "On the Track", "Next May be the Right" (Nepomuk, du Heissgeliebter), "Fountain Fay Protective Institution" (Sprudelmadel Lied), "Spring Maid March" (Sprudelmarsch), "Fountain Fay" (So Ein Blick aus Schonen Aug). Claim No. 44961.

Executed at Washington, D.C., on May 10, 1962.

For the Attorney General.

[SEAL] PAUL V. MYRON,
Deputy Director, Office of Alien Property.

[F.R. Doc. 62-4869; Filed, May 18, 1962; 8:46 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 13588]

ONTARIO CENTRAL AIRLINES LTD.

Notice of Hearing

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that a hearing on the above-entitled matter is assigned to be held on May 24, 1962 at 10 a.m., e.d.s.t., in Room 911, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Joseph L. Fitzmaurice.

Dated at Washington, D.C., May 16, 1962.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 62-4872; Filed, May 18, 1962; 8:47 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 14643]

BAUGH ELECTRONICS

Order To Show Cause

In the matter of R. W. Baugh, d.b.a. Baugh Electronics, 969 Laurel Street, San Carlos, California, Docket No. 14643; order to show cause why there should not be revoked the license for Radio Station 12QI009 in the Citizens Radio Service.

The Commission, by the Chief, Safety and Special Radio Services Bureau, under delegated authority, having under consideration the matter of certain alleged violations of the Commission's rules in connection with the operation of the above-captioned station;

It appearing, that pursuant to § 1.76 of the Commission's rules, written notice of violation of the Commission's rules was served upon the above-named licensee as follows:

Official Notice of Violation mailed on January 23, 1962, alleging that on December 9, 1961, Citizens radio station 12QI009 was operated in violation of § 19.61 (a), (f) and (g), and § 19.62 of the Commission's rules, in that transmissions were not directed to a specific station or person; station was not identified at the conclusion of a series of communications; call sign was not transmitted at ten-minute intervals during a series of communications; and transmissions exceeded five-minutes in duration; and

It further appearing, that the above-named licensee did not reply to the Official Notice of Violation, whereupon the Commission by letter dated March 5, 1962, and sent by Certified Mail (Cert. No. 97266), return receipt requested, again brought this matter to the attention of the licensee and requested that such licensee respond to the Commission's letter within ten days from the date of its receipt stating the measures which had been taken, or were being taken, in order to bring the operation of the radio station into compliance with the Commission's rules, and warning the licensee that failure to respond to such letter might result in the institution of proceedings for the revocation of the radio station license; and

It further appearing, that although more than ten days have elapsed since the above-described letter was sent to the licensee, no response has been made thereto; and

It further appearing, that in view of the foregoing the licensee has repeatedly violated § 1.76 of the Commission's rules;

It is ordered, This 11th day of May 1962, pursuant to section 312 (a) (4) and (c) of the Communications Act of 1934, as amended, and section 0.291(b) (8) of the Commission's Statement of Delegations of Authority, that the said licensee show cause why the license for the above-captioned radio station should not be revoked, and appear and give evidence in respect thereto at a hearing to be held at a time and place to be specified by subsequent order; and

It is further ordered, That the Acting Secretary send a copy of this Order by Certified Mail, return receipt requested, to the said licensee at his last address of record, 969 Laurel Street, San Carlos, California.

Released: May 16, 1962.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 62-4878; Filed, May 18, 1962; 8:48 a.m.]

[Docket Nos. 14644, 14645; FCC 62M-698]

BAY SHORE BROADCASTING CO. AND FAIRFIELD PUBLISHING CO.

Order Scheduling Hearing

In re applications of Keith Moyer and James Hilderbrand d/b as Bay Shore Broadcasting Company, Hayward, California, Docket No. 14644, File No. BP-14113; Fairfield Publishing Company, Fairfield, California, Docket No. 14645, File No. BP-15082; for construction permits.

It is ordered, This 14th day of May 1962, that Walther W. Guenther will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on July 25, 1962, in Washington, D.C.: *And it is further ordered,* That a prehearing conference in the proceeding will be convened by the presiding officer at 9:00 a.m., Thursday, June 21, 1962.

Released: May 15, 1962.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 62-4879; Filed, May 18, 1962; 8:48 a.m.]

[Docket No. 13062; FCC 62M-690]

CHE BROADCASTING CO. (NSL)

Order Scheduling Hearing

In re application of CHE Broadcasting Company (NSL), Albuquerque, New Mexico, Docket No. 13062, File No. BP-11842; for construction permit.

It is ordered, This 14th day of May 1962, that Millard F. French will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on July 13, 1962, in Washington, D.C.: *And It is further ordered,* That a prehearing conference in the proceeding will be convened by the presiding officer at 9:00 a.m., Wednesday, June 13, 1962.

Released: May 15, 1962.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 62-4880; Filed, May 18, 1962; 8:48 a.m.]

[Docket No. 14641; FCC 62M-697]

GOODLAND CHAMBER OF COMMERCE

Order Scheduling Hearing

In re application of Goodland Chamber of Commerce, Goodland, Kansas, Docket No. 14641, File No. BPTTV-1221; for construction permit for a new VHF television broadcast translator station.

It is ordered, This 14th day of May 1962, that Millard F. French will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on July 23, 1962, in Goodland, Kansas: *And it is further ordered,* That a prehearing conference in the proceeding will be convened by the presiding officer at 10:00 a.m., Wednesday, June 13, 1962, in the Offices of the Commission, Washington, D.C.

Released: May 15, 1962.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 62-4881; Filed, May 18, 1962; 8:48 a.m.]

[Docket Nos. 14639, 14640; FCC 62M-696]

OLNEY BROADCASTING CO. AND JAMES R. WILLIAMS

Order Scheduling Hearing

In re applications of Harwell V. Shepard tr/as Olney Broadcasting Company, Olney, Texas, Docket No. 14639, File No. BP-10494; James R. Williams, Anadarko, Oklahoma, Docket No. 14640, File No. BP-13635; for construction permits.

It is ordered, This 14th day of May 1962, that Jay A. Kyle will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on July 25, 1962, in Washington, D.C.: *And it is further ordered,* That a pre-

hearing conference in the proceeding will be convened by the presiding officer at 9:00 a.m., Friday, June 22, 1962.

Released: May 15, 1962.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 62-4882; Filed, May 18, 1962; 8:48 a.m.]

[Docket Nos. 14629, 14630]

RHODE ISLAND-CONNECTICUT RADIO CORP. (WERI-FM) AND THE WILLIE BROADCASTING CO.

Order Designating Applications for Consolidated Hearing on Stated Issues

In re applications of Rhode Island-Connecticut Radio Corporation (WERI-FM) Westerly, Rhode Island, has: 103.7 Mc. #279; 17.5 kw; 24 ft., req.: 94.9 Mc, #235; 17.4 kw; 24 ft., Docket No. 14629, File No. BPH-3669; The Willie Broadcasting Company, Willimantic, Connecticut, req.: 94.9 Mc, #235; 3.36 kw; 350 ft., Docket No. 14630, File No. BPH-3693; for construction permits.

The Commission, by the Chief of the Broadcast Bureau under delegated authority, considered the above-captioned applications on May 15, 1962;

It appearing that except as indicated by the issues specified below, the instant applicants are legally, technically, financially, and otherwise qualified to construct and operate the proposed stations, but that the proposed operations would involve mutually destructive interference; and

It further appearing that after consideration of the foregoing, the Commission is unable to make the statutory finding that a grant of the applications would serve the public interest, convenience, and necessity; and is of the opinion that the applications must be designated for hearing in a consolidated proceeding on the issues specified below:

It is ordered, That pursuant to section 309(e) of the Communications Act of 1934, as amended, the instant applications are designated for hearing in a consolidated proceeding, at a time and place to be specified in a subsequent order, upon the following issues:

1. To determine the areas and populations within the 1 mv/m contours, the areas and populations therein which would be served by the proposed stations, and the availability of other FM services (at least 1 mv/m) to such proposed service areas.

2. To determine, in the light of section 307(b) of the Communications Act of 1934, as amended, which of the instant proposals would better provide a fair, efficient and equitable distribution of radio facilities.

3. To determine, in the light of the evidence adduced pursuant to the foregoing issues, which, if either, of the instant applications should be granted.

It is further ordered, That to avail themselves of the opportunity to be heard, the instant applicants, pursuant to § 1.140 of the Commission's rules, in person or by attorney, shall, within 20 days of the mailing of this order, file with the Commission, in triplicate, a written appearance stating an intention to appear on the date fixed for the hearing and present evidence on the issues specified in this order.

It is further ordered, That the applicants herein shall, pursuant to section 311(a)(2) of the Communications Act of 1934, as amended, and § 1.362(b) of the Commission's rules, give notice of the hearing either individually or, if feasible, jointly, within the time and in the manner prescribed in such rule, and shall advise the Commission of the publication of such notice as required by § 1.362(g) of the rules.

It is further ordered, That the issues in the above-captioned proceeding may be enlarged by the Examiner, on his own motion or on petition properly filed by a party to the proceeding, and upon sufficient allegations of fact in support thereof, by the addition of the following issue: To determine whether the funds available to the applicant will give reasonable assurance that the proposals set forth in the application will be effectuated.

Released: May 16, 1962.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 62-4883; Filed, May 18, 1962; 8:48 a.m.]

[Docket Nos. 14635, 14636; FCC 62M-695]

SALEM BROADCASTING CO. (WJBD) AND LEADER BROADCASTING CO.

Order Scheduling Hearing

In re applications of Thomas S. Land and Bryan Davidson d/b as Salem Broadcasting Company (WJBD), Salem, Illinois, Docket No. 14635, File No. BP-14073; Donald E. Condee and Ned M. Webber d/b as Leader Broadcasting Co., Edwardsville, Illinois, Docket No. 14636, File No. BP-14530; for construction permits.

It is ordered, This 14th day of May 1962, that David I. Kraushaar will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on July 19, 1962, in Washington, D.C.: *And it is further ordered,* That a prehearing conference in the proceeding will be convened by the presiding officer at 9:00 a.m., Friday, June 15, 1962.

Released: May 15, 1962.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 62-4884; Filed, May 18, 1962; 8:48 a.m.]

[Docket Nos. 14632-14634; FCC 62M-694]

TUSCARAWAS BROADCASTING CO. ET AL.

Order Scheduling Hearing

In re applications of The Tuscarawas Broadcasting Company, Uhrichsville, Ohio, Docket No. 14632, File No. BP-13896; The Niles Broadcasting Company, Niles, Ohio, Docket No. 14633, File No. BP-13993; Punxsutawney Broadcasting Company (WPME), Punxsutawney, Pennsylvania, Docket No. 14634; File No. BP-14022; for construction permits.

It is ordered, This 14th day of May 1962, that Basil P. Cooper will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on July 23, 1962, in Washington, D.C.: *And it is further ordered,* That a prehearing conference in the proceeding will be convened by the presiding officer at 10:00 a.m., Friday, June 15, 1962.

Released: May 15, 1962.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 62-4885; Filed, May 18, 1962; 8:48 a.m.]

[Docket No. 14631; FCC 62M-693]

WEZY, INC. (WEZY)

Order Scheduling Hearing

In re application of WEZY, Inc. (WEZY), Cocoa, Florida, Docket No. 14631, File No. BP-14409; for construction permit.

It is ordered, This 14th day of May 1962, that Isadore A. Honig will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on July 11, 1962, in Washington, D.C.: *And it is further ordered,* That a prehearing conference in the proceeding will be convened by the presiding officer at 9:00 a.m., Tuesday, June 19, 1962.

Released: May 15, 1962.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 62-4886; Filed, May 18, 1962; 8:48 a.m.]

[Canadian List 170]

CANADIAN BROADCAST STATIONS

List of Changes, Proposed Changes, and Corrections in Assignments

APRIL 24, 1962.

Notification under the provisions of part III, section 2, of the North American Regional Broadcasting Agreement.

List of changes, proposed changes, and corrections in assignments of Canadian Broadcast Stations modifying appendix

containing assignments of Canadian Broadcast Stations (Mimeograph #47214-3) attached to the Recommendations of the North American Regional Broadcasting Agreement Engineering Meeting.

Call Letters	Location	Power kw	Antenna	Schedule	Class	Expected date of commencement of operation
		560 kilocycles				
CKCN	Seven Islands, Province of Quebec.	5	DA-1	U	III	Assignment of call letters.
		570 kilocycles				
CJEM (PO: 570 kc 1 kw DA-N).	Edmundston, New Brunswick.	5 D/1 N	DA-N	U	III	EIO 4-15-63.
		610 kilocycles				
CKML	Mont Laurier, Province of Quebec.	1	DA-N	U	III	Assignment of call letters.
		610 kilocycles				
CFWH (PO: 1240 kc 0.25 kw ND).	Whitehorse, Yukon	1	ND	U	III	EIO 4-15-63.
		790 kilocycles				
New	Dartmouth, Nova Scotia.	5	DA-1	U	III	Do.
		920 kilocycles				
New	Levis, Province of Quebec.	5	DA-N	U	III	Do.
		990 kilocycles				
CBY (PO: 990 kc 1 kw ND).	Corner Brook, Newfoundland.	10	ND	U	II	Do.
		630 kilocycles				
CHED (PO: 1080 kc 10 kw D/1 kw N DA-N II).	Edmonton, Alberta	*10*	*DA-2*	U	*III*	Do.

[SEAL]

FEDERAL COMMUNICATIONS COMMISSION,
BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 62-4887; Filed, May 18, 1962; 8:48 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G-3038]

J. M. HUBER CORP.

Notice of Application for Amendment of Certificate Authorization

MAY 14, 1962.

Take notice that on September 5, 1961, J. M. Huber Corporation (Huber), 2401 East Second Avenue, Denver, Colorado, filed an application to amend the Commission's order issued October 6, 1955, in Docket No. G-3038 (Docket Nos. G-3038, et al.) granting a certificate of public convenience and necessity to Huber, by adding thereto authorization to render service from certain additional acreage under an amendatory agreement dated August 23, 1961, to Huber's basic contract with Northern Natural Gas Company.

The proposed amendment covers sales from an additional 3,080 acres in the West Panhandle Field, Hutchinson and Carson Counties, Texas, at a price of 11.0 cents per Mcf at 14.65 psia. The aforesaid amendatory agreement has been accepted for filing and designated as Supplement No. 6 to J. M. Huber Corporation FPC Gas Rate Schedule No. 2.

Protests, petitions to intervene or requests for hearing may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) on or before June 6, 1962.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 62-4851; Filed, May 18, 1962; 8:45 a.m.]

[Docket No. G-2869 etc.]

GREATER GAS CO. ET AL.

Notice of Severance

MAY 14, 1962.

James S. Ray, et al. d/b/a Greater Gas Company, et al., Docket Nos. G-2869, et al.; Exeter Drilling Company, Agent (Operator), et al., (Successor to Glen Perkins Oil, Inc.), Docket Nos. G-18018 and CI62-171.

Notice is hereby given that the matter of Exeter Drilling Company, Agent (Operator), et al. (Successor to Glen Perkins Oil, Inc.), Docket Nos. G-18018 and CI62-171, heretofore scheduled for a hearing to be held in Washington, D.C., on May 15, 1962, at 9:30 a.m. e.d.s.t., in the consolidated proceeding entitled James S. Ray, et al. d/b/a Greater Gas Company, et al., Docket Nos. G-2869, et al., is severed therefrom for such disposition as may be appropriate.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 62-4852; Filed, May 18, 1962; 8:45 a.m.]

[Docket No. G-16842 etc.]

TENNESSEE GAS TRANSMISSION CO.

Notice of Application and Date of Hearing

MAY 14, 1962.

Take notice that on April 9, 1962, Tennessee Gas Transmission Company (Applicant) filed in Docket No. G-16842, et al., an application pursuant to section 7(c) of the Natural Gas Act for a temporary certificate of public convenience and necessity authorizing the construction and operation of certain of the facilities for which an application for a permanent certificate has been filed in said dockets, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

The subject application indicates that because of the severity of the 1961-1962 winter season and emergencies which occurred during that season, Applicant had to make excessive withdrawals of gas from storage. In order to meet the demands of customers for the 1962-1963 winter season, it will be necessary to replace these excessive withdrawals. To accomplish this, the application states, it will be necessary for Applicant to begin construction immediately of facilities southwest of Station 87.

Specifically, Applicant seeks temporary authorization to construct and operate the following compression facilities:

Station No. and location	*Proposed horsepower*
526A-102, Scofield Bay (Offshore La.)	5,000
527, near Port Sulphur, La	4,000
530, near Bay St. Louis, Miss	6,000
534, near Purvis, Miss	9,000
538, near Heidelburg, Miss	8,000
542, near DeKalb, Miss	11,000
546 near Columbus, Miss	5,000
550, near Hamilton, Ala	11,000
555, near Collinwood, Tenn	7,500
860, near Centerville, Tenn	5,400
321, near West Clifford, Penn	5,000
Total	76,000

In addition to the foregoing compression facilities, Applicant requests temporary authorization to construct and operate 2.37 miles of 6⅝" O.D. line to replace the 3½" O.D. Northampton-Greenfield, Massachusetts, delivery line.

Applicant estimates the cost of the subject facilities to be $17,328,108.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on May 21, 1962, at 10:00 a.m., e.d.s.t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by the subject application for a temporary certificate of public convenience and necessity.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 62-4853; Filed, May 18, 1962; 8:45 a.m.]

FEDERAL TRADE COMMISSION

STATEMENT OF ORGANIZATION

Revision

Correction

In F.R. Doc. 62-4733, appearing at page 4636 of the issue for Wednesday, May 16, 1962, the material appearing

under sections 4–7 was published out of order. Therefore, sections 4–7 are rearranged to read as set forth below:

SEC. 4. *Executive Director.* The Executive Director, under the direction of the Chairman, is the chief operating official. He exercises executive and administrative supervision over all the bureaus and the staff of the Commission. Immediately under his direction are the following staff units:

(a) *Program Review Officer.* It is the responsibility of the Program Review Officer to make reports and recommendations directly to the Commission with respect to how and where its functions should be exercised in order to best serve the public interest.

(b) *Office of Administration.* This office supervises management, organization, administrative services, and personnel programs. It has the following units:

(1) Management Staff.
(2) Division of Personnel.
(3) Division of Administrative Services.

(c) *Office of Comptroller.* This office supervises budgetary and fiscal matters within the Commission and participates in the collection of data for the preparation of quarterly reports showing the financial characteristics of manufacturing corporations, and performs machine tabulations. The Divisions in the office are:

(1) Division of Budget and Finance.
(2) Division of Machine Tabulation.

(d) *Office of Information.* This office furnishes information concerning Commission activities to news media and the public.

SEC. 5. *Office of the Secretary.* The Secretary is responsible for the minutes of Commission meetings and is the legal custodian of the Commission's seal, property, papers, and records, including legal and public records. He signs Commission orders and coordinates all liaison activities with the Congress and Government departments and agencies.

SEC. 6. *Office of the General Counsel.* The General Counsel is the Commission's chief law officer and adviser. This office includes the following organizational units:

(a) *Division of Appeals.* Representing the Commission in the Federal courts, this division also aids in preparing memoranda, opinions and reports on questions of law and policy referred to the General Counsel.

(b) *Division of Consent Orders.* This office supervises the preparation and execution of agreements submitted to the Commission for the settlement of cases by the entry of consent orders.

(c) *Division of Legislation.* This division advises the Commission on legislative matters, and prepares for its consideration drafts of and reports on proposed legislation.

SEC. 7. *Bureau of Industry Guidance.* With the assistance of this bureau, the Commission endeavors to secure voluntary compliance with the statutes it administers by informing and guiding businessmen as to the requirements of such statutes. The Bureau is comprised of three divisions:

(a) *Division of Trade Practice Conferences.* This division administers the trade practice conference program under which trade practice interpretative rules are promulgated for particular industries.

(b) *Division of General Rules and Regulations Applicable to Unlawful Trade Practices.* The duty of this division is to assist the Commission in promulgating rules and regulations applicable to unlawful trade practices which, where relevant to issues involved in subsequent adjudicative proceedings, may be relied upon by the Commission as provided in § 1.63 (Title 16, Chapter I, CFR).

(c) *Advisory and Guides Division.* This division assists businessmen in obtaining advice from the Commission as to the legal requirements of the statutes it administers. Also, it is the duty of this division to prepare and recommend to the Commission appropriate guides dealing with the legality of widely used trade practices.

SECURITIES AND EXCHANGE COMMISSION

[File No. 1-3848]

APEX MINERALS CORP.

Order Summarily Suspending Trading

MAY 15, 1962.

The common stock, $1.00 par value, of Apex Minerals Corporation, being listed and registered on the San Francisco Mining Exchange, a national securities exchange; and

The Commission being of the opinion that the public interest requires the summary suspension of trading in such security on such Exchange and that such action is necessary and appropriate for the protection of investors; and

The Commission being of the opinion further that such suspension is necessary in order to prevent fraudulent, deceptive or manipulative acts or practices, with the result that it will be unlawful under section 15(c)(2) of the Securities Exchange Act of 1934 and the Commission's rule 15c2-2 thereunder for any broker or dealer to make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of such security, otherwise than on a national securities exchange;

It is ordered, Pursuant to section 19(a)(4) of the Securities Exchange Act of 1934 that trading in said security on the San Francisco Mining Exchange be summarily suspended in order to prevent fraudulent, deceptive or manipulative acts or practices, this order to be effective for a period of ten (10) days, May 16, 1962, to May 25, 1962, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F.R. Doc. 62-4856; Filed, May 18, 1962; 8:45 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATION FOR RELIEF

MAY 16, 1962.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 37740: *T.O.F.C.—Class and commodity rates from and to Sand Springs, Okla., and Lewisville, Tex.* Filed by Southwestern Freight Bureau, Agent (No. B-8213), for interested rail carriers. Rates on various commodities moving on class and commodity rates loaded in trailers or demountable trailer bodies and transported on railroad flat or open-top cars, between Sand Springs, Okla., and Lewisville, Tex., on the one hand, and points in Missouri, Illinois, and Kansas, on the other; also rates on shrimp from specified points in Texas and Louisiana, on the one hand, to points in Illinois, Kansas and Missouri, on the other.

Grounds for relief: Motor-truck competition.

Tariff: Supplements 77 and 85 to Southwestern Freight Bureau tariff I.C.C. 4345.

By the Commission.

[SEAL] HAROLD D. MCCOY, *Secretary.*

[F.R. Doc. 62-4865; Filed, May 18, 1962; 8:46 a.m.]

[Notice 640]

MOTOR CARRIER TRANSFER PROCEEDINGS

MAY 16, 1962.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's general rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 30 days from the date of service of the order. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 64438. By order of May 14, 1962, Division 3, acting as an Appellate Division, approved the transfer to Thomas J. Sullivan, doing business as Sullivan's Motor Express, 75 Wealth Avenue, Providence, R.I., of certificate No. MC 33029, issued May 27, 1949, to Frances R. Sullivan, doing business as Sullivan's Motor Express, 75 Wealth Avenue, Providence, R.I., authorizing the

transportation of: general commodities with the usual exceptions, wool, wool tops, wool yarn, wool waste, mohair, textiles, textile products, and materials, supplies and equipment used or useful in the operation and maintenance of textile mills and in the manufacture and distribution of textile products, from, to, or between specified points in Rhode Island, Massachusetts and New York.

[SEAL] HAROLD D. McCOY,
Secretary.

[F.R. Doc. 62-4866; Filed, May 18, 1962; 8:46 a.m.]

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